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CAB 63/156

I. GENERAL.

 Concert an appeal to the whole world by the three U's - United Kingdom (plus Dominions), U.S.A., U.S.S.R.

The points in the address would include -

A summary of the case against Hitler.

His repeated breach of his word, with emphasis on the most recent case.

- A warning to the Axis Powers of what to expect from Hitler (addressed to Italy, Japan, Hungary, Bulgaria and the "Quislings").
- A special warning to countries under German pressure such as Vichy, Turkey, Spain, Portugal, ending with
- An appeal to all nations, including those adhering to the Axis to join a League of Freedom with the object of resisting the threat, now unconcealed, of world domination by Germany. They should be asked to prepare, each nation according to its circumstances, action to be taken simultaneously when the moment arises, by sea, land or air, by economic warfare, active rebellion, large scale sabotage, passive resistance, strikes, release of shipping, or supplies, or other measures calculated to injure Germany or assist the League of Freedom.
- An early Conference in London, where a number of the Governments are located, to concert plans to carry out the Declaration.
- 3. Early diplomatic action to secure at least a modus vivendi for co-operation between Russia and Foland.

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SECRET.

PERSONAL TO

I venture to suggest some heads for taking advantage of Hitler's attack on Soviet Russia in the hope that some of these might help you. As we are in with these fuffians we ought to make the best of it.

23rd June, 1941.

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III. JAPAN.

AI. RUSSIA.

4. Propose the usual exchange of Missions, including representation of the C.O.S.

Committee; Recommic Warfare, Information;

Supply; M.A.P; War Transport (including
Shipping and Railway Experts as the railways
are probably in bad condition); and a
Petroleum Expert (Mr. Berthoud from Cairo)
to assist in all measures for hampering
enemy oil supplies, including, if necessary,
destruction of Russian supplies, and other
oil questions.

- 5. Appoint a Head of Mission (? Sir Stafford Cripps) to lead the Mission and organise it before departure. Otherwise muddles will arise.
- Ascertain Russia's principal military needs, emphasising the importance of detailed specifications in the case of war material.
- 7. Suggest measures of economic warfare.
- 8. Diplomatic efforts, in the most friendly way, to bring home to Japan the warning of this latest example of Hitler's perfidy.

 Accompany this by a spontaneous and simultaneous announcement by the Dominions and ourselves that, as goods can no longer leak to Germany through Russia, we shall make our economic policy easier for Japan.
 - 9. Secure action corresponding to 6 by U.S.A.
 - 10. If Japan reacts favourably the moment might be opportune for the project favoured by the late Lord Lloyd and Mr. Shigamitsu of a Mission to Japan, which, in concert with a similar Mission from U.S.A. would attempt to compose the differences between Japan and China in order to meet the greater danger to both from Germany, and to clear up the situation in the Far East. Any action to avert war with Japan this year would be of inestimable value; still more their material aid, of forthcoming later.

11. Consult Lord Halifax as to the desirability of his speaking to Mr. Hull and Mr. Shigemitsu about the above.

IV. ITALY.

12. Would it be worth while to approach
Mussolini through any possible channel
(? the Vatican) to impress on him the
opportunity to shake off the chains which
bind Italy in subservience to Germany? (In
view of references to Mussolini in the
Prime Minister's broadcast this might be
considered later.)

V. OTHER AXIS 13. A similar approach when possible to other AXIS Powers. Russia might be useful with Bulgaria, and U.S.A. with all these States.

VI. TURKEY. 14. Bring home to the Turks the lesson of this latest example of the danger of trusting Germany, and the unique opportunity to join the League of Liberty, whose power is rapidly increasing, and to obtain mutual assistance from the U.K., U.S.A., and U.S.S.R. The fall of Damascus and any further successes in Syria should help, as this will greatly facilitate communications with Turkey.

VII. DIPLOMATIC 15. The Foreign Secretary will no doubt take

ACTION appropriate action in many countries,

ELSEWHERE. especially U.S.A. and including the Allied
Governments established in London.

VIII. ADMINISTR-16. Instruct all Government Departments to consider measures by which advantage can be taken of this opportunity to help the Russians, to obtain their help and to secure advantage.

17. Similar instructions to Committees.



IX. HOME FRONT. 18. Can the Communists now be brought to help the national front?

55, Whitehall, S.W.l. 23rd June, 1941.

24th June, 1941.

To: LORD HALIFAX, WASHINGTON.

SECRET

Cypher. L.A.D.

Repeated to Singapore.

Our telegrams Nos.

In anticipation of probable Soviet requests we are anxious to be in a position to enable our economic mission, which is leaving tomorrow, to offer to the Soviets for immediate delivery 10,000 tons of rubber and 2,000 tons of tin, and for subsequent delivery in the year a further 15,000 tons of rubber and 6,000 tons of tin.

- These transactions may directly or Arfar No: 3529. indirectly affect the quantities immediately available to American buyers and we hope that the American Government will be prepared to meet us by adjusting its own purchases accordingly. The quantities are so small compared to American requirements and past purchases, that the sacrifice required from them will be negligible.
 - These matters could no doubt be settled by negotiation between ourselves and the American interests involved. It is however essential that immediate arrangements should be made for the delivery of the first The Ministry of Supply probably instalments. hold at the present moment in Malaya a quantity of rubber sufficient to meet the greater part of the first consignment of 10,000 tons, but the stocks are distributed among several ports of shipment and it would, therefore, be of very great assistance to us if the co-operation of the American buyer could be obtained immediately for temporary release of certain quantities out of the stocks which he now holds in ports of shipment. Arrangements for replacing the rubber thus placed at our disposal could be made at a later date.

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The same roughly applies to tin. Ministry of Supply may have to arrange for the immediate purchase of 2,000 tons through commercial channels. tor insolient format 100,000 lone of remore tor to the common of the com

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OFFICES OF THE WAR CABINET GREAT GEORGE STREET, S.W.1

SECRET.

25th June, 1941.

Dear Low banky

I see that one of the objects of the British Liaison Mission to Russia is to provide a channel through which Russian requests for material assistance can be communicated. The Mission have been told that if they receive requests for assistance they are not to promise either men or material, but should refer all such requests to the Chiefs of Staff.

It is therefore clear that requests for material will follow this one channel, and it will be for the Chiefs of Staff or for one of the Service Departments to refer any particular request to us if they wish.

The Paper from which I have derived this information was prepared before the despatch of certain suggestions which you mentioned to me, and which are no doubt under consideration.

Tour Lineary

The Rt. Hon. Lord Hankey.

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CAB 63/156

OFFICES OF THE WAR CABINET GREAT GEORGE STREET, S.W.1

Sear Lord Krakey

30th June, 1941.

10

You will remember that Ronald told your Committee at their Meeting last Thursday that M.E.W. were investigating the question of supplies to and communications in the U.S.S.R. The U.K.C.C. told us that they had some information which might be useful, and we invited them to pass this to M.E.W.

I was told this morning that Dr. Dalton and Sir Frederick Reith-Ross were of opinion that the whole question of possible supplies to Russia ought to be centred in your hands and in those of the Committee on Allied supplies. Both the Foreign Office and the Treasury later telephoned to say they share this view, and the former has now made arrangements to send copies of all the relevant Moscow telegrams dealing with supplies, military or civil, routes of access into Russia, etc. to yourself, to Sir Edward Grigg and to me. It was agreed that any telegram which called for discussion by the Committee, either on your initiative or on that of the Foreign Office, could be circulated as a paper.

I suggested that any work on which M.E.W. may be employed in this connection should be completed and forwarded to us for information.

The Board of Trade have meanwhile convened a small Meeting for Tuesday afternoon to discuss possible exports from Russia in which this country might be interested. It was suggested that I might attend this Meeting, and if any concrete suggestions emerge, I will again suggest that they be reported to us, in order that



we may have the whole picture before our eyes.

Now that the British Mission is getting down to work in Moscow, we may well receive requests for supplies quite soon, and it is very satisfactory that arrangements have been made in advance to deal with them through a well established body.

Joins Lincol Cintucky

Rt. Hon. Lord Hankey, G.C.B., G.C.M.G., G.C.V.O., Chancellor of the Duchy of Lancaster, 55, Whitehall, S.W.1. The Committee for the Co-ordination of Allied Supplies on July 3rd agreed "that the U.K.C.C. should, as a general rule, act as purchasing agents for such supplies to Russia as it (the Committee) had agreed to make, subject to any exceptions that might be indicated and subject to due consultation with the Raw Materials Department of the Ministry of Supply' This decision was subsequently elaborated in a telegram to Moscow which suggested that "precise details, terms, specifications, etc., could perhaps be settled more conveniently by direct negotiations in London between Soviet Trade Representatives and the U.K.C.C. to whom we have entrusted actual conclusion of sales. We suggest that the Soviet Government should give the necessary instructions for full powers to their Trade Representatives in London for this purpose". Later Moscow was told "the terms on which we have agreed to supply the various commodities on their list assume that H.M.G. and the U.K.C.C. will be the sole channels of supplies". Nevertheless in a letter of August 25th to the U.K.C.C. the Russian Trade Representatives state "we have no instructions preventing us from making independent purchases of some commodities. In spite of that, up to the present moment, the Trade Delegation of U.S.S.R. has made practically all the purchases through your Corporation, of which, doubtless, you are aware".

For British aid to be most effective the principle that H.M.G. will be the sole channel of supplies must be accepted by the Russians and their Trade Mission here so instructed. In practice the U.K.C.C. has been found by H.M.G. to be the most suitable channel for carrying out the agreed programme of help except where special circumstances rule, such as in the supply of oil products or military requirements.

II. THE WORK OF THE U.K.C.C. INVOLVES:

- 1. Finding out the exact Russian specifications as to quality and type of goods to be supplied.
- 2. Advising the Treasury of a proposed transaction and obtaining authority for it.
- 3. Advising the specifications to the Supply Department or Control concerned so that they may know what they are required to buy or provide.
- 4. Procuring these goods either, in the case of controlled or semi-controlled goods, from the Ministry concerned, which remains entirely responsible for buying the goods, or, in the case of non-controlled goods, itself buying through ordinary commercial channels.
- 5. Agreeing the price to be paid for the goods with the Russians, and obtaining their confirmation of orders.
- 6. Paying the Ministry concerned or the merchant for the goods bought.
- 7. Arranging for the goods to be centred in few ports so that their shipment may be speedy. This has necessitated, in the case of certain goods not readily available in one or two places, the U.K.C.C. accumulating stocks from the Controls or Supply Departments in anticipation of future requirements.
- 8. In conjunction with the Russians arranging for the routing of ships and their actual loading, or for the land

transport



transport of the goods. In some cases paying the freight charges and arranging insurance of the goods.

9. Obtaining payment into the Clearing Account for the goods supplied.

The above brief outline of the work of the U.K.C.C. in a transaction has many variations depending on particular circumstances.

The closest touch is kept not only with the Russian Trade Representatives, but also with the Treasury, the Services, the Ministry of Economic Warfare, the Ministry of Supply and other Government Departments or Committees concerned.

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MOSCOW CONFERENCE.

REPORT ON PROCEEDINGS OF TRANSPORTATION COMMITTEE OF THE MOSCOW CONFERINCE: PREPARED BY BRITISH AND AMERICAN DELEGATIONS.

1. Soviet Delegates stated their estimated shipping need was capacity to lift 500,000 tons monthly, of which 270,000 tons would go to Archangel, 224,000 to Vladivostok, the balance by trans-Iranian routes. +

The Sub-Committee hoped that Anglo-American development of trans-Iranian facilities and Persian Gulf ports would permit meeting Soviet expectation of handling 60,000 tons through there by June 1942. Meanwhile balance in excess of present capacity of 6,000 tons per month would be sent to Vladivo stok: thereafter Vladivostok would be reduced to 170,000 tons per month.

- 2. Northern Routes. Soviet Delegation stated that capacity of Archangel was sufficient to discharge quantities mentioned in paragraph 1, but based on experience of first convoy American and British delegates are sceptical whether these quantities can be dealt with, especially in winter. Soviet Delegation stated that 18 ships could be simultaneously discharged before icing, and expected that between middle and end of December: thereafter 12 vessels could be borthed further north at Eksonomiya. United States delegate suggested that monthly intake could be maintained by using this smaller number of larger vessels between December and April.
- 3. Soviet Delegation stated there would be three ice-breakers: "STALIN", "LININ", and "LITKE", plus two smaller available for White Sea traffic. Soviet estimate was that ice-breaker could take between one and three vessels at a time, according to ice conditions, from the bar to open sea, at between 12 and 36 hours per batch. While awaiting ice-breaker assistance, either in or out, convoy would use Yukinga (half way between Hurmansk and entrance to White Sea) which is ice-free. Admiral Hiles is exploring with Soviet authorities necessary measures to make this bay safe.
- 4. Soviet Delegation stated they were prepared to accept '00,000 tens of cargo monthly for local and inland use at Murmansk, subject to their estimate of "conditions", which at present, in their view, were quite unsuitable.
- 5. Oil discharging and storage capacity was stated by Soviet Delegation to be sufficient to clear 10,000 tons monthly. Soviet Delegation required refined products only to Archangel. British and American Delegates suggest it would be wise to consider the above in the light of discharge performance of second convoy.
- 6. Vladivostok. Soviet Delegation stated port facilities were adequate to handle quantities mentioned in paragraph 1, the object of their proposals being to maintain Far Eastern provinces without recourse to transport by trans-Siberian from the West.

Documents submitted by the Russian Dologation on Archangel, Vladivostok and Murmansk are attached (Annex I.)

Oil shipment would in 1942 be divided half and half between Vladivostok and Archangel. In 1941 a further 10,000 tens would be required in the Par East, balance being sent to Archangel during that period.

- 7. Trans-Iran. (a) Soviet Delegation agreed to accept at Kushk and Meshed such consignments as could be made available there by road. (b) Soviet acceptances at Kasvin would be 11,000 tons a month: at Bandar Caspian 250 tons a day now, rising to 700 by May 1942 when 12-foot channel would be dredged. (c) At Tabriz via Zenjan up to 30,000 tons a month, Soviet authorities agreeing that Anglo-American transport should operate between Zenjan and Tabriz.
- 8. Soviet authorities will make available 90,000 out of 500,000 tons carrying capacity, between 60 and 65 per cent. of theirs being available on Atlantic. 27,000 tons of tanker tonnage would also be available on Pacific: none on Atlantic.

90,000 tons are assessed on 75 day turn round on Atlantic: 60 day on Facific and 145 on Persian Gulf. American Delegation thought Facific turn round inadequate.

Soviet requests are that half food and half oil
 be sent to Vladivostok and Archangel.

Most war and raw materials to Archangel except such equipment as is necessary for Far East to be sustained without recourse to traffic eastwards on trans-Siberian railway.

- 10. Soviet Delegation stated it is desirable to strengthen ships for Archangel between 13th December and 30th April in accordance with drawing attached to fit with steel propeller blades preferably strenghulled vessels to start with.
- 11. Ships' winches will be utilised throughout except for floating cranes at Archangel up to 135 tons and Vladivostok 120 tons, maximum of two being available at both ports.
- 12. Telegram Linan No. 42 repeated in substance to Maritime Commission gives details of monthly shipments required and provides destination and origin.

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ARCHANGEL. Accepts ships for loading and unloading all year round. Up to December (inc.) unloading will take place in Bakaritsa, 18 ships simultaneously. From January to April (inc.) unloading will take place at Ekonomie. 12 ships simultaneously.

2. at BAKARUTSA. One berth has an 8-ton crame. Ships ritted with their own loading and unloading gear can berth at the remaining berths.

There are 2 floating cranes of 50 and 133 tons capacity respectively. There are also 2 railway cranes of 6-ton cancit; each and 2 cranes mounted on caterpillar tracks with loading capacity of 8 tons each.

Additionally Archangel will be fitted with a number of movable and semi-movable cranes with capacity from 5 to 15 tons as well as with railway and caterpillar tractor cranes with capacity of from 6 to 8 tons.

It is desirable that 7 of the 13 cranes ordered in the U.S.A. be delivered in Archangel before the end of 1941.

3. Covered storage space in Bakaritsa is 15,500 square metros. This will be increased by building more covered storage buildings and sheds. There is sufficient open storage space. At Ekonomia covered buildings and sheds will have an area of 15,000 square metres.

Navigation of the Northern Dvina does not present any difficulties until the middle of December. Similarly, navigation in the White Sea does not present any difficulties until the end of December so far as ice is concerned. The ice cover is so thin that ships can move unaided and do not require special reinforcement against ice. Beginning with the second half of December in the Northern Dvina and the beginning of January in the White Sea navigation has to be aided by Ice-breakers.

In the White Sea ships will all be convoyed by the Icebreaker "Stalin" and in the Northern Dvina by the Ice-breaker "Lenin" and other auxiliary Ice-breakers of less draught.

In the White Sea during the period February - March an Ico-breaker can take two to three steamers at a time. At other times conveying through ice is easier and an Ice-breaker can take a larger number of ships. In the Northern Dvina at the period of maximum ice an Ice-breaker can take, at a time, 1 - 2 ships as far as Ekonomie.

Convoying by Ice-breakers takes from 12 to 36 hours in accordance with the conditions of the ice.

Cargo steamers which are awaiting convoy by Icebreakers also naval vessels of the convoy must be stationed in the bay of IOKANGA. 5. Ships must be fitted with steel propellers with detachable blades and must have their hulls reinforced against ice, namely two stringers each on each side, forward and aft, as well as in the forward and aft holds, and additional ribs in the same parts.

During the period of the heaviest ice, namely February - March only such ships should be despatched to Archangel which do not exceed 6 - 7,000 tons deadweight. It is easier to convoy such ships through ice and there is less risk of damage to them.

6. It is desirable that ships arriving in Archangel should have on board a sufficient quantity of bunker coal or diesel fuel to provide for the return voyage, because during the period December to April, bunkering in Archangel complicates work and exposes ships to extra risk during passage through ice.

7. Experienced pilots will be provided for each ship during its passage behind the Ice breaker.

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MURMANSK.

The port of Murmansk is open to navigation throughout the whole year. 12 ships with a draught of from 16 - 25 feet can be simultaneously discharged.

One of the berths is fitted with two movable cranes with a lifting capacity of 6 tons. At the rest of the berths discharging has got to be carried out by means of the ships own gear.

Besides this, for the purpose of handling general and heavy cargoes, there are:-

Railway, caterpillar, and motor cranes of a lifting capacity from 6 - 7.5 tons - 6.

Fleeting cranes, leading capacity 30 - 50 tons - 2

There is a bunkering ship for the purpose of bunkering ships in the harbour.

The Port can allot 30,000 sq. metres of storage space for the purpose of storing imported cargoes.

Open spaces for storing imported cargoes amount to 25 - 30,000 sq. metres.

In case of necessity additional space can be utilised in an area behind the Port.

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VLADIVOSTOK.

1. The Port of Vladivostok is open throughout the whole year. The period of ice lasts from January to March. In the worst years the ice does not extend further than the Island of Askold (25 miles).

An Icebreaker is employed during this period.

Up to the middle of January cargo steamers with reliable hulls can enter the port without the aid of an Icebreaker. The entry of the Port is effected with the help of pilots.

2. 10 steamers with draughts of from 22-28 feet can be simultaneously discharged.

There are warehouses as well as open storage spaces along the whole length of the Quay.

A total area of 50,000 sq. metres of covered storage space can be allotted for imported cargoes and there is an open area of 13,000 sq. metres.

- 3. The number of cranes in the Port is as follows:-
 - Electrically operated, moveble cranes with lifting capacity of 2 tons 2.
 - Railway, tractor and motor cranes
 with lifting capacity of 3-18 tons 3.
 - Floating cranes with a lifting capacity of 40-120 tons. 2.

Reference T 31/68.

20

APPROXIMATE ESTIMATE OF VALUE INVOLVED IN RUSSIAN REQUESTS FOR SUPPLIES.

The figures given below can only be regarded as approximate. Minimum and maximum fugures in the two columns correspond with the alternative figures given in the list in telegram No. 77 Arfar from Moscow.

(a) Rubber at say £100	5,000,000	6,000,000
(b) <u>Tin</u> at say £300	2,400,000	3,000,000
(c) Wool at 2/6d por lb. (Australian merino)	4,200,000	5,600,000
(d) <u>Jute</u> at 40 rupees a bale (5-6, bales per ton 1 rupee = one-sixth of £)	375,000	375,000
(e) Shellac at £2,10s a cwt,	50,000	50,000
(f) Sole Leather (according to quality) say	1,000,000	1,500,000
(g) Lead say at £20 per ton	600,000	800,000
(h) Aluminium at say £110 per ton	3,300,000	4,400,000
(1) Melybdenum Concentrate at £200 per ton	800,000	800,000
(j) Copper at £62 per ton	2,480,000	3,100,000
(k) Rolled Brass for cartrides etc. at £100 per ton	1,500,000	2,000,000

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2 -		
(1) Cobalt (on the assumption that it is cobalt metal which is required) at 8/6d per 1b.	£,800	190,400
(m) <u>Industrial Diamonds</u> (2 million U.S. dollars)	500,000	500,000
(n) Iridium at £30 per ounce.	88,000	88,000
(o) Military boots (no high military boots can be supplied but ordinary ankle boots can be supplied in large numbers at		- "05 000
£1.2.6d per pair).	3,129,000	3,125,000
(p) Woollen cloth say overcoating at 6/- per metre	3,000,000	3,000,000
TOTAL &	28,460,800	31,428,400

J.S.Daniel.

2.7.41

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Treasury Reference F.17663.

TREASURY CHAMBERS, Great George Street, London, S.W.l.

2nd July, 1941.

Dear Culpin,

22

I confirm my telephone message to you this morning to the effect that as far as the Treasury were concerned it is quite in order for you to inform Mo cow that arrangements were proceeding at once to load s.s. Volga, at present at Singapore with 3,000 tons of rubber and 500 tons of tin to be sent to Vladivostock. I asked you to add to the telegram to Moscow that we would give immediate consideration to the question of payment as soon as we had received Sir S. Cripps' suggestions in this connection.

I understand that machinery and other matters dealing with Russia will be discussed tomorrow morning at bord Hankey's Committee. In the meanwhile, you are getting out some approximate figures to indicate the value

- (a) of the Russian demands on us, and
- (b) the goods we might buy, for supply or other reasons, from them.

I am sending copy of this letter to Berkeley at the War Cabinet Offices.

Yours sincorely,

(sd) W.L. Fraser.

J.R.Culpin, Esq., Ministry of Economic Warfare. I telephoned Mr. Rumbold at the India Office this afternoon on the question of the Afghanistan route for supplies to Russia. I explained to him that we had certain information which made it look probable that the Russians themselves had been making arrangements to develop this route from the Russian end. I asked him whether he would have any objection to our instructing the Embassy at Moscow to approach the Russian authorities on this question.

He said that the question was already being considered in the India Office and that although he thought the final conclusion would be such as to offer no objection to the use of this route.

He said that the question was already being considered in the India Office and that although he thought the final conclusion would be such as to offer no objection to the use of this route, the matter was at the moment in the hands of his political and strategic advisors. He was, therefore, most anxious that the matter should not be immediately raised with the Russians and would prefer that the Russians were simply asked, in a general way, for their views on the routing of supplies. If, in their answer, they suggested the use of the Afghanistan route, as they doubtless would, we should probably by that time be in a position to approve it.

(SGD) J. STUART DANIEL.

PROFFESOR POSTAN.

2.7.41.

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PUBLIC RECORD OFFICE

PUBLIC RECORD OFFIC CAB 63/156 Sir Stafford Cripps has telegraphed particulars as under of the Russians Shipping program in the Far East:-

- (a) with the request that cargoes be arranged
- (b) asking for names of ports to which vessels should proceed
- (c) and for agents to be appointed.
- 1. s.s. "ARCTICA".

G.T. 2900

Now at Hong Kong, proceeding at once to Malaya. Full cargo of about 4500 tons of rubber and tin (as much as possible of tin).

2. s.s. "KRASNY PARTISAN."

G.T. 2413.

Now at Hong Kong, due out July 10th. (as (1)

3. s.s. "KOMILES."

G.T. 3962

Now at Vladivostok. (Shanghai 22/6 for Vladivostok). To load full cargo 6000 tons 28/6 at Calcutta (5-6 weeks).

4. s.s. "ASHKRABAD".

G.T. 5284.

Sailing from Vladivostok for Australia. Full cargo of merino wool 7500 tons. (5-6 weeks).

5. 8.8. "KIROV."

G.T. 5114.

At San Francisco. 7500 tons preferably wool, if not sole leather to ship at San Francisco.

6. s.s. "WELLEN".

G.T. 5135.

Hong Kong 15/7. Vladivostok 2-3 weeks. 7500 tons preferably rubber or wool.

The problem is therefore to arrange for cargoes of-

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1. Rubber and Tin.

> for "Arctica" in about 10 days, Malaya of about 4500 tons for "Krasny Partisan" in about 20/25 days at 3500 Malay of about for "Wellen" 2/3 weeks at Hong Kong, of about (rubber). 7500

15,600 "

2. Wool (Merino).

for "Ashkhabad" in about 5-6 weeks Australia 7.500 tons possibly "Wellen" q.v. up to 7,500 " "Kirev" q.v. up to immediately 7.500 "

3. Leather (Sole).

to load "Kirov" now at San Francisco if wool not 7,500 "

4. Calcutta cargo.

presumably of <u>Jute</u> (possibly some Sheltac) of approx. 600 tons in 5-6 weeks for s.s. "Komiles."

J.R.Culpin 2nd July, 1941. LORD HANKEY.

SUPPLIES TO RUSSIA.

The main some kind of machinery for dealing with the whole problem. Various Departments have suggested that the best solution would be a somewhat elastic Informal Sub-Committee, consisting of members of your Committee and of the Grang Sub-Committee, which would meet as often as required.

I have sent the Agenda for our Meeting, and copies of the various) telegrams that have come in from Moscow, to a list of 28 recipients, including (in addition to yourself, the Vice Chairman and Hasler) representatives of 16 Departments.

The Informal Sub-Committee will clearly have to be much smaller (e.g. M.E.W., War Transport, Treasury, Foreign Office) with authority to call in any others whose cooperation is desired.

The Foreign Office are now instructing Moscow to send all telegrams having any bearing on supplies, inward or outward, and communications in a new series called "Mossy". Copies will come to you, to the Vice-Chairman and to me automatically, but they will only be circulated to the list of 28, or any revised list we may adopt, after consultation - just as in the case of Arfar telegrams, some of which are quite trivial and can be handled by M.E.W. acting independently.

A further problem is that of having an adequate Executive Organ to take action after Inter-Departmental decisions have been arrived at. In the case the primary responsibility rests with M.E.W. In the case of Arfars, general feeling, however, that they are not ideally placed to take such action as buying commodities, ordering ships about, or incurring expenditure. In the case of Greece the Executive Organ was Nicholson's Inter-Allied Section at the Ministry of War Transport. In the case of Turkey it is largely the U.K.C.C. In the case of the Middle East Supply Centre, which now co-ordinates the whole area, the Executive Organ is again Nicholson's Section, with a good deal of delegation to the U.K.C.C. The general feeling (especially of the Treasury) is that Nicholson's Section should take over the executive functions, in very close consultation with M.B.W. in the case of matters arising from Arfar telegrams. As regards Mossy telegrams, which come from the Foreign Office acting purely as a Post Office, references/are much freer.

I enclose one or two papers which M.E.W. have given me, which throw some light on the question of supplies. I have also received some detailed information about specific commodities.

We shall also have to keep a close watch on the American end of the business. The newspapers report that the Russians are now putting in specific requests for supplies to the United States* Administration. The Ministry of Food have already telegraphed to the British Food Mission in U.S.A. drawing attention to paragraph 2 of telegram No.77.Arfar from Moscow and asking to be kept informed of developments at the other end.

hubere

CAB 63/156

Las hyanot Russia

Russian requests invite the following observations:

- (a) Rubber 50-60,000 tons is about twice the estimated Russian deficiency for 1941. But presumably under war conditions their demand will increase very considerably. The enquiries which we have so far made in this country, in Singapore and America are based on the assumption that the Soviets will not require more than about 25,000 tons.
- (b) Agrees with our estimate of Soviet deficiencies.
- (c) Agrees with our estimate of Soviet deficiencies.
- (d) Is 20-30% above our estimate of Soviet deficiency which is about 18,000 tons. But again under war conditions they will probably want more jute than before.
- (e) & (f) Agrees with our estimates.
 - (g) Somewhat in excess of our estimate of Soviet deficiency and at present we do not yet know whether any lead could be made available.
 - (h) The situation is being investigated, but I very much doubt whether any aluminium could be made available.
 - (1) Molybdenum concentrates being investigated and should probably be made available from American sources.
 - (j) Is not much in excess of our estimate of Soviet & deficiency and the position is being investigated.

(k

- (1) & (m) Being investigated.
 - (n) Is a very strange request, for Russia has always been an exporter of iridium, but it is just possible that they have oversold to Germany. Position being investigated.
- (o) & (p) Being investigated.
 - (q) Is not a subject raised in our brief to Cadbury and I do not think we are competent to deal with it. Should be brought up independently before the Committee.

The subject discussed in paragraph 2 of the telegram is practicable but in this, as in all other matters, much will depend on the shipping situation and this will have to be investigated.

(Signed) M. POSTAN.

1.7.41.

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MINUTES of Meeting held at Ministry of Economic Warfare at 12 noon on 24th June, 1941.

PRESENT:

Mr.J.M.Troutbeck
Mr.Postan
Mr.Lincoln
Mr.Byatt
Sir John Campbell
Mr.C.Figg
Mr.Coote
Mr.Thorley
Mr.Levine

In the Chair

Colonial Office Foreign Office . Treasury Ministry of Supply

In attendance:

Sir Stafford Cripps Mr.A.G.Pawson

Secretary of the I.R.R.C.

Mr.Troutbeck stated that the meeting had been convened with the object of arranging for the early supply of essential materials for the U.S.S.R., particularly tin and rubber.

Sir Stafford Cripps pointed out that it was essential for the Russian morale that we should give them precise and immediate promises of supplies.

Mr. Postan stated that the total annual requirements of the U.S.S.R. would probably be 25,000 tons of rubber and 8/12,000 tons of tin, and of these quantities 10,000 tons of rubber and 2,000 tons of tin were required immediately. He understood that the Soviet had four ships available in Hong Kong to carry the cargo. He thought that the 10,000 tons of rubber could be taken in two shipments.

Mr. Levine stated that the Ministry of Supply had ample rubber purchased in Malaya but that it was distributed over various ports, and the assistance of the U.S.A. would probably facilitate matters.

Sir John Campbell stated that the U.S.A. Government were nervous about their supply. They wished to build up a stock of 430,000 tons, but now their purchasing in Malaya was being confined to one buyer, it was thought that they would be able to obtain over 300,000 tons by the end of this year. The amount therefore required for Russia was infinitesimal and should present no difficulty.

Mr. Postan pointed out that in October last the U.S.A. Government expressed their readiness to re-adjust their ideas with the idea of helping Russia, and no doubt they would be prepared to do so under present circumstances.

Discussing tin, Sir John Campbell pointed out that owing to the high price in the East the U.S.A. had bought little or nothing since February. Any purchases would have to be made through commercial channels.

Mr. Thorley of the Treasury raised the question of payment. He pointed out that the Soviet had a very small sterling balance, probably not more than £100,000, whereas the 2,000 tons of tin would cost approximately £500,000. The Treasury would prefer payment in American dollars.

Mr. Lincoln pointed out that Basra being blocked, Vladivostok appeared to be the only possible route, but Mr. Postan stated that shipment could probably be made through Port Bandar Shahpour in the Persian Gulf.

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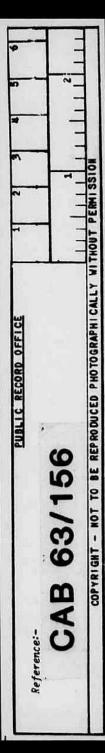
CAB 63/156

rence:-

It was decided that a telegram should be drafted by M.E.W. for despatch by the Foreign Office to Washington after consultation with U.S.A. Embassy in London, asking for the co-operation of the State Department, and that the Ministry of Supply should endeavour to find out through commercial channels whether the necessary 2,000 tons of tin could be made available at once.

Mr.Lincoln said that he was seeing the Dutch that afternoon and would give them the gist of our decision, asking for their co-operation if necessary.

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SECRET

10, **D**iwntng Sirest,

H.

3rd July, 1941.

Dear Cairneross,

30

Would you please convey to
Lord Hankey the Prime Minister's
thanks for the notes enclosed in
his minute of June 23rd, suggesting
various ways of taking advantage of
Hitler's attack on Soviet Russia.

Yours sincerely,

J.12.17294

J. Cairneross, Esq., Duchy of Lancaster. 63/156 CAB

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WI THOU CAB 63/156

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7. 111.41

OFFICES OF THE WAR CABINET

Dear low banky

6th July, 1941.

I have sent the U.K.C.C.'s Report on Communications through Iran, and the maples that goes with it, to the Russian expert at M.E.W., who agreed at the last meeting of your Committee to supplement it with some information on the motor transport position in Iran.

I had thought that we might then prepare a rather shorter report on communications through Iran for circulation to your Committee.

In the meantime however, I have received/the attached documentation prepared by the Transportation Branch at the War Office. You will see that it deals with a variety of issues and that Appendix B provides the framework of a comprehensive report on communications into Russia through all the available routes.

It might be possible to use this Appendix as the basis of a general report embodying recommendations, on the lines of the report on Communications in Irak (C.A.S.(41)164) which we recently addressed to the Chiefs of Staff with satisfactory results. The report would, of course, embody some of the information contained in the other War Office Papers, in the U.K.C.C.'s Report, etc.

We might, if you agree, begin the preparation of such a report soon, though we should need

This copy has been extracted from a Foreign Office file and is the only one in existence, except for one on which the War Office is working.

CAB 63/156

the assistance of the Transportation Branch at the War Office, and therefore, I think, a recommendation by your Committee to which A.C.I.G.S. had subscribed.

I am not certain, however, that the time is yet come for submitting such a report to the Chiefs of Staff for the following reasons:-

- (a) Supplies have barely started moving towards Russia, to Vladivostok only, and we have little idea of the volume of supplies which we shall be able to build up.
- (b) The prospects of utilising Russian shipping are still very obscure.
- (c) As regards the route through Iran, and while we are seeking information (e.g. as to the possibility of obtaining locomotives and rolling stock from North or South America, as to the advisability of appointing a U.K.C.C. Transport expert in Iran, etc.) very little can be done until the Iranian attitude becomes clearer. The last telegram I saw showed that the Iranians, although still vehemently anti-Soviet, were beginning to think that they would be wise to take out some re-insurance. They will have to evolve considerably before we can utilise their territory to supply Russia, and the Foreign Office are keeping a close watch on the position.

My general suggestion is, therefore, that we should begin to prepare our documentation so as to be ready with a draft report which your Committee can address to the



Chiefs of Staff when the unknown factors referred to in (a) (b) and (c) above have become less obscure. I should be grateful for your instructions.

Town ways

Lord Hankey, P.C., G.C.B., G.C.M.G., G.C.V.O., Chancellor of the Duchy of Lancaster, 55, Whitehall, S.W.1.

Kussia

3 man cotton

7th July, 1941.

My dear Hankey,

The draft telegram you sent to me, and which I now return, is entirely satisfactory if you will make the slight alterations I have marked on it.

The North American Committee, of which I am Chairman, deals with these issues in the United States. And I hope in future you will consult me before you come to any decision yourself.

Yours sincerely,

Benne

The Rt. Hon. Lord Hankey, G.C.B., G.C.M.G., G.C.V.O., 55 Whitehall, London, S. W. 1.

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PUBLIC RECORD OFFIC AB 63/156

Your telegrams Nos. 3668 and 3669 (of 4th August: supplies for Russia from U.S.A.)

In view of difficulties mentioned in my telegram

No. 4400 (of 4th August) which crossed your telegram referred

to above War Cabinet feel strongly that we must not be

committed it this moment to the establishment of a three-man

Committee. The recent meetings in Washington have taken place
in the absence of two out of the three proposed members, and

we cannot take any decision for or against the Committee until

the question of the Terms of Reference and procedure have been

discussed with Mr. Hopkins and Mr. Purvis, if the latter can

return to Washington in time. In these discussions full weight
should be given to the practical difficulties mentioned in my

telegrams Nos. 4212 and 4400, as well as to the considerations
set forth in paragraphs 4 and 7 of your telegram 3668.

Meanwhile we must urge strongly that figures of
United States production should not be given to the Russians.
While anxious to give all possible help to Russia it is vital
that this should not be done at the expense of our own essential
supplies. It must not be forgotten that Russians have been
preparing for many years and that we still have a dangerous
leeway to make up.

* Proposed excision.

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Copy for Lord Hankey

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1.31/70/326 J.S.D.

Capt. C. S. Berkiey, Cabinet Offices.

Ministry of Economic Warfare, Berkeley Square House, Barkeley Square, London, W.1

7th July 1941.

Dear Fairburn,

Many thanks for your letter of July 2nd regarding the possibility of our obtaining supplies of carbonyl from the Russians. We discussed the question with Hall of your London Office, and have in consequence despatched a telegram to Moscow asking whether the Russians would be able to offer 25 to 50 tons.

If anything comes of this the questions of shipment and price can be discussed later. The details of the transaction would be taken over by the U.K.C.C., with whom you are no doubt in touch.

Yours sincerely,

E.G. Feirburn Esq. 1/Supply, Raw Mets. Dept., WARWICK.

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Codic of the Esq., Foreign Office.

Capt.C.B.Berkley, Cabinet Offices.

Sir E.Grigg, Room 202, War Office.

W.L. Freser, Treasury.

E.M. Richelson, Ministry of War Transport.

R.L. Hall, Esq., Ministry Supply, Steel House.

G.W.Turner, Ministry Supply, Adelphi.

The Lord Hanky, 55 Whitehall, S.W.1.

E.W. Jones, U.K.C.C.

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ANNEX I.

PRECIS OF TELEGRAM PROM WASHINGTON TO U.S.A. EMBASSY IN LONDON.

There will be submitted to the President on July 21st specific proposals which have been drafted regarding supplies to Russia. It is contemplated in these proposals:

That a small number of pursuit planes be supplied at once, taken from U.S. stocks and British aeroplanes at present awaiting shipment, with further quantities following in 1942.

with reference to bombing planes, deliveries starting in April next year, but no supply immediately.

A small shipment now of anti-aircraft guns, to be followed by monthly allotments next Winter of amounts up to 50.

(4) A delivery of 2,000 tons of toluol to be taken from American and British stocks and to be followed by shipments from American production of 2,000 per month.

Sale of aeroplane gasolene and lubricants at once, in the amounts requested.

Run tralown (6) The release of approximately one-third of the requested raw materials.

Approval of the sale of approximately half the requested Indiated Plant total of complete industrial plants for the production of munitions.

Partial approval of the desired lease of equipment for industrial plants and for machine tools. (8) Redere treat thanks

And the second of (9) Approval of other orders subject in each case to acceptance from Government Agencies.

> With reference to the 6th, 7th and 8th proposals the principle is introduced as compulsory selective release. it being impossible to obtain unanimous agreement relative to any of these numbered categories. The selections of the Executive Decent Aid Reports in each category would be obligatory up to the percentage approved, up to the total monetary value involved.

Representatives of the Soviet Union have not been informed of these proposals. It seems from a conference with Purvis Harris and Dewer that the British are strongly opposed to any delivery of bombers to Russia immediately, although the Russian Authorities themselves regard this request as being of greater urgency than any of the other items concerned.

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ANNEX II.

PRECIS OF TELEGRAM TO WASHINGTON PROM U.S.A. EMBASSY IN LONDON.

let us know the number and type which it is being planned to transfer to the Soviet Union immediately, and the division of these planes as between the United States and Great Britain. Please inform us also what raw materials are being released, and the mounts. Some commitments have been made by the British for immediate releases of wool, jute, rubber, tin, lead and British Army boots. It is not to be assumed, however, that the amounts of these will meet the full requests of the Soviet Union; but no commitments should be made with regard to any of these items without first consulting Mr. Purvis, who is being kept informed currently as to commitments on the part of Great Britain.

Copy sent to - S.S. for Air.
Captain C.M. Berkeley.

4

. J SECRETARY OF STATE FOR POREIGN APPAIRS.

I attach a copy of a minute to the Prime Minister enclosing a note about aircraft and anti-aircraft guns for Russia.

I am sorry I have not been able to sign the note - or even read it since dictating it - because I have to rush off to another meeting at the Ministry of Labour with Mr. Harry Hopkins.

I should be glad if you would try and obtain a decision from the war Cabinet on this subject this afternoon, as I doubt if we can make a proposal of this magnitude with war Cabinet approval.

(Sgd.) HANKEY.

24th July, 1941.

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WAR CABINET.

COMMITTEE FOR THE CO-ORDINATION OF ALLIED SUPPLIES. RUSSIAN SUPPLIES.

42

Note by the Chairman.

In accordance with instructions from the War Cabinet (W.M. (41) 72, Conclusion 2) I saw Mr. Hopkins and Mr. Harriman at the American Embassy this afternoon. I was accompanied by Sir Edward Grigg, the Vice Chairman, and Captain Berkeley, the Secretary, of the War Cabinet Committee for the Co-ordination of Allied Supplies. The subject of our conversation was supplies to the U.S.S.R.

- 2. At the outset Mr. Hopkins handed me a telegram he had just received from Washington which I read aloud. The telegram said that a proposal was to be put up to President Roosevelt on the 21st July, the principal points of which were as follows
 - (1) that a certain number of fighter aircraft produced in the U.S.A. were to be sent at once to Russia, being drawn partly from existing United States machines and partly from British supplies;
 - (2) that bombers would be sent, beginning next April;
 - (3) that the raw materials would be met to the extent of 50 per cent. so far as practicable, but no details were given, either of the items, or of the times within which they were to be delivered.
- J. I replied at once that, while in principle we were most anxious to help the Russians, I could not accept any commitment in the matter of aircraft without consulting higher authority this line being accordance with a message I had received from the Secretary of State for Air just before starting for the meeting. I asked that, if possible, particulars should be furnished on this head.
- 4. Mr. Hopkins, who had evidently anticipated some such reply, then read the draft of a telegram which he proposed to send to Washington, asking for particulars about the fighters: how many were to be at the expense of the U.S.A. and how many

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at our expense, and to which, at our request, he added the actual types. 47

- to the best of my knowledge we had already undertaken to despatch from ports in the Far East to Vladivostok in Russian ships a certain amount of rubber, tin and lead. A Russian ship was proceeding to Australia to fetch wool and, in addition, I was under the impression that supplies of wheat were under consideration. I said that, in reply to the request for top boots, we did not manufacture these but could send a certain number of ankle boots, and that inquiries were being made from India and possibly from South Africa in this connection. Other possible supplies were under discussion, but there were some articles which we could not possibly supply, notably aluminium. Cobalt was a difficulty, and we were in consultation with the British Purchasing Commission in Washington on the subject.
- 6. Mr. Hopkins then sent for a stenographer and redictated his telegram to include our points, adding the gist of what I had said about raw materials and civilian supplies. He included also a mention of the fact that the British Purchasing Commission is being kept informed of what we are arranging to supply.
- 7. I asked Mr. Hopkins to let me have a reply, if possible, before the meeting of the Committee for the Co-ordination of Allied Supplies on Thursday at 11 a.m., which he thought should be practicable.
- 8. We raised the question of shipping, pointing out that Vladivostok was the best port but that obviously at the present time this route was precarious. Mr. Hopkins agreed, but thought we must make our arrangements on the basis of the existing situation. I said that no British ships were being

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allowed to proceed to Vladivostok. Mr. Hopkins said that there were 12 Russian ships in ports on the west coast of America ready to sail for Vladivostok.

9. I then alluded briefly to the Persian Gulf route emphasising its limitations, and Mr. Harriman said that this route could only be used by American ships at the expense of materials shipped to the Middle East.

(Sgd.) HANKEY.

55, Whitehall, S.W.1. 22nd July, 1941.

Kunia V 45

Supply of Mines and Depth Charges to Russia.

A requirement has arisen to supply Russia with 1,000 mines and 4,000 depth charges. Of these about 200 mines and 1,000 depth charges have already been shipped and it is desired to prepare the balance as soon as possible.

The proposal is that a ship, or ships, should be taken up now, filled with the outstanding stores and proceed to northern port to await an opportunity for sailing to North Russia. Orders as regards sailing will be given by the Naval staff.

It is desirable that this large consignment of explosives should be carried in two bottoms and a further requirement probably is that the ship, or ships, selected shall be able to make the round trip to and from N. Russia without the necessity of refuelling. Information is requested as to whether the War Office or Air Ministry have any outstanding requirements to fulfil, it being understood that any stores embarked may remain in the N. port referred to for some time.

It is also desired to know to what extent the Air Ministry can supply parachutes for the mines in question.

(Initialled) C.H.

23rd July, 1941.

* About 2,000 tons cargo space.

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1 Demount 50-600.

The Russians have asked for 50,000 to 60,000 tons.

We have agreed to supply about 20,000 tons in the supers the year, but in order to do this the co-operation of U.S. buyers the year, but in order to do this but the American Embassy is necessary. After consultation with the American Embassy, Washington a telegram was sent to the British Embassy, Washington in London, a telegram was sent to the British Embassy, Washington, informing them that we may have to ask for temporary release from stocks held by American buyers in the Far East. In the meantime () I manufactly we have agreed to provide immediately about 10,000 tons.

(Alredy despatible 2,651 tan

The Russian s.s. "Volga" sailed for Vladivostok on 20th July with 2,651 tons; another 4,000 tons will be loaded on the Russian s.s. "Arctika" which sailed for Singapore on 8th July, and further quantities are being prepared for loading.

2. TIN.

Demand 8-10,000 line

The Russians have asked for 8,000 to 10,000 tons of tin.

1 7 hu jun 3000 U. 5 Buyer (red :

We have agreed to supply about 8,000 tons in the course of the year. The same considerations as for rubber hold good for tin, and the co-operation of the United States was asked in the same telegram.

500 fm NE3

The "Volga" carried 500 tons of tin from Malaya when she sailed on 20th July, and 500 tons of tin are ready for the "Arctika."

(4) 50 0 have sailed odes alcontron

The N.E.I. Government have agreed to release 500 tons of tin to be loaded by Russian s.s. "Krasny Partizan."

3. WOOL.

no exceed 15, 100-21,000 to

The Russians have asked for 15,000 to 20,000 tons.

3.5. fehobod en

Whole can be effect the whole of this can be underward from and 10,000 bales of scoured or washed merino wool and 10,000 bales of scoured in Australia, and about 30,000 bales hum Emple town of greasy merino are available in Australia, and about 30,000 bales of crossbred have been earmarked in New Zealand. No more wool will be available in Australia or New Zealand until the next clip vigage to Acateles in November. The Russian s.s. "Ashkabad" sailed from Vladivostok on 7th July for Sydney to load wool, and other ships will soon follow her.

4. JUTE.

The Russians asked for 25,000 tons.

00 cmm 25,000 ton Que be supplied from a relied. Don't ship will load 25000 balon it colenta Ary 1 5. LEAD. al Harpey to falls

Decement 30-40,000 k

Centre met fu

The whole of this can be supplied from India. 25,000 bales are to be shipped to the Persian Gulf by British s.s. "Egorlock" arriving at Calcutta on 7th August. An additional 30,000 bales can be made available for the Russian s.s. "Wellen", which is still under repair in Hongkong.

The Russians asked for 30,000 to 40,000 tons of lead.

It appears that all this can be supplied from Empire sources. The Russian s.s. "Maxim Gorki" is leaving Shanghai for Rangoon on swife volum sudayed & 25th or 26th July to load 1,000 tons of lead. The Russian s.s. "Ashkabad" is going to load 2,000 tons of lead from Port Pirie on her way to Sydney.

6. SHELLAC.

No distinct

The Russians asked for 1,000 tons of shellac. There will be no difficulty in providing all this from India.

7. SOLE LEATHER.

see who No. 11

The Russians asked for 5,000 to 6,000 tons of sole leather.

A little can be supplied from South Africa, but some will probably have to come from South America, where United States co-operation will be necessary.

8. ALUMINIUM.

Difficult

Some example sent.

The Russians have asked for 30,000 to 40,000 tons, and set the greatest store by this request in order to keep their aircraft factories going. Their own production is at the rate of 80,000 tons a year, but 50,000 tons of this comes from plants in the danger area near Leningrad and Kiev.

Despite the great scarcity of aluminium in this country, the Ministry of Aircraft Production hope to be able to set aside about 1,000 tons a month from October, subject to the signing of the Canadian contract and our shipping losses remaining low, and provided the U.S. Government would be prepared to do the same.

9. COBALT.

The Russians have asked for 150 to 200 tons.

Difficult by solar at new

50 tons are being supplied at once from this country, and 15 tons have already been shipped. Further supplies depend on releases from U.S.A., but washington reported that the supply position was going to be very difficult and that it would probably be impossible to meet Russian requirements in full.

10. INDUSTRIAL DIAMONDS.

Meet curent out regerement out canad build up The Russians have asked for \$2 million worth.

We have told them that we shall probably be able to supply their current requirements, but that it will not be possible for us to help them to build up stocks.

Details are being discussed between S.T.R. and U.K.C.C.

11. MILITARY BOOTS.

The Russians have asked for 3 million pairs of high military boots.

Con be wet at are

It has been agreed with the Trade Delegation that ankle boots should be sent, and up to 2-3 million pairs will soon be available in this country. The Soviet Trade Delegation have asked if supplies would be available from the Empire, instead of the U.K. and enquiries are being made about this.

12. COPPER.

The Russians have asked for 40,000 to 50,000 tons of copper.

All world sources are earmarked by this country and the U.S.A. No supplies will be available from U.K., but we are awaiting a reply from Washington on availability of supplies from U.S.A.

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13. ROLLED BRASS FOR CARTRIDGES.

The Russians have asked for 15,000 to 20,000 tons.

Most of this will have to come from the U.S.A. and a telegram has been sent to Washington giving the specification of the Russian requirements. We are awaiting a reply.

14. MOLYBDENUM CONCENTRATES.

The Russians have asked for 4,000 tons.

We are awaiting a reply from Washington on the availability of supplies from U.S.A.

15. WOOLLEN CLOTH.

The Russians have asked for 10 million metres, preferably khaki.

This can be supplied from the U.K. Specifications arrived from Moscow on the 23rd July and ere being considered.

16. IRIDIUM.

The Russians have asked for 50 kilograms.

1,000 oz. are being released at once by the Ministry of Aircraft Production, and it is hoped that a further 700 cz. will be available in 6 months.

17. MACHINE TOOLS.

The Russians have asked for an unspecified amount of miscellaneous machine tools.

We have informed Sir Stefford Cripps that there was little likelihood of our being able to supply any machine tools at all and this has apparently been brought to the notice of the Soviets. It has since transpired that in certain limited fields U.K. stocks and production of machine tools is sufficiently abundant to permit some exports, if necessary. These, however, cannot be expected to be on a large scale.

18. FOODSTUFFS.

The Russians asked for unspecified quantities of wheat, sugar, meat, canned meat, and rice, to be delivered to Visdivostok in order to relieve pressure on the Trans-Siberian Railway.

The supplies of most of these foodstuffs can easily be made available, but as the Russians themselves appear to regard these requirements as of secondary importance, the shortage of shipping may prevent us from delivering the processians.

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WHITSHALL 3400

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Copy sent to - The S.S. for Foreign Affairs.

" S.S. for Air.

Captain C.M. Berkeley.

PRINE MINISTER

49

I attach an urgent note about Russian supplies.

I have not been able to sign it or even to see it as I have to go to an urgent meeting on another matter at the Hinistry of Labour with Hr. Harry Hopkins.

24th July, 1941.

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SECRET.

24th July, 1941.

RUSSIAN SUPPLIES.

Note by the Paymaster-Ceneral.

50

In accordance with the instructions of the War Cabinet on July 21st (W.W.(41) 72nd Conclusione, Minute 2) I saw Mr. Harry Hopkins and Mr. Harrisan on Tucsday, 22nd July. I was accompanied by Sir Edward Grigg, Vice-Chairman, and Captain Berkeley, Secretary of the War Cabinet Committee for the Co-ordination of Allied Supplies. Mr. Hopkins handed me a telegram containing proposals that were to have been substitted to President Receivedt on July A paraphrese is attached (Amere 1).

The proposals were looking in detail, and at my request Mr. Hopkins telegraphed at once to ask for particulars - paraphrase attached (Annexe II).

AIRCRAFT.

The Committee for the Co-ordination of Allied Supplies met this morning (July 24th). The Air Ministry's representative reported that the Secretary of State was willing to make the following offer:-

140 Tomshawks, which are already in the United Kingdom, to be sent to Archangel, but without spare parts or ground equipment.

60 Tomahawka to be sent to Vladivostok from British supplies now in the U.S.A. awaiting shipment to the Middle Rost.

TOTAL - 200 Fighters.

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4. The Government of the U.S.A. to be responsible for sending to Archengel via Vladivostok -

- (1) All speres and ground equipment for the whole of the 200 fighters (e.g. 140 Tomaharka from the United Hingdom and 60 from the U.S.A.).
- (2) Experts in sufficient numbers to enable the Russians to erect the siroraft and to teach them to fly and maintain the machines.
- 5. The representative of the Air Ministry was not in a position to give any information about the proposal to send bombers to Russia next April.
- 6. The question of payment will have to be considered.

ANTI-AIRCRAFT OUND.

- 7. We require a few more details before a decision can be given on the question of anti-sirerait guns, for example, how many are to be heavy and how many light? We ourselves have been pressing for A.A. heavy type guns for some time for the Middle East, and Brigadier Whiteley of the Middle East Command recently visited the U.S.A. to develop this and other requests. He was only accorded 23 guns of old types.
- 8. We have also asked for 12 90 cm. guns for use here for training purposes.
- 9. The remainder of Mr. Hepkins' proposals must await the details for which he has saked.
- 10. The Secretary of State for Foreign Affairs and the Secretary of State for Air propose to hold a meeting this evening with representatives of the Sussian Government now in this country, as well as with Mr. Hepkins and Mr. Harriman

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It is probably not worth while to hold such a meeting unless the War Cebinet will approve the proposals of the Air Ministry as set forth above and authorise us to mention them to the meeting.

11. I submit the question for decision.

(Signed) HANKEY.

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Prime Minister.

Supplies to Russia.

the raw material for the personal telegram which you propose to send to M. Stalin about this afternoon's decision on the above subject.

I have avoided giving the actual amounts of the raw materials we are hoping to send, but as a matter of fact they will form a substantial proportion of the Russian demands, and America should be able to send a good deal of the balance.

24th July, 1941.

CAB 63/156



MINISTRY OF SUPPLY,

THE ADELPHI,

LONDON, **C. 2

24th July, 1941.

SECRET AND URGENT

54

Dear Lord Hankey,

I have discussed with our Explosives Production-Department the question of the release of 2,000 tons of Toluol by the U.S. Gövernment for Russia. They confirm what I said at the meeting, that they are anxious that no shipments of Toluol should be made to Russia which would affect the supply of raw material for the manufacture of T.N.T. in the U.S.A. for our stocks, in view of our greatly increased requirements for bombs, etc. At the moment, however, we are not asking for shipments of Toluol to this country for the manufacture of explosives in this country, and subject to what is said above, they would not wish to offer objection to shipment to Russia.

I am sending copies of this letter to Berkeley and Hasler.

Yours sincerely,

G.7.S.M.

The Right Hon. Lord Hankey, G.C.B., G.C.M.G., G.C.V.O., 55, Whitehall, London, S.W.1.

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puller

Prime Minister.

Supplies to Russia.

I attach a draft which gives the raw material for the personal telegram which you propose to send to M. Stalin about this afternoon's decision on the above subject.

I have avoided giving the actual amounts of the raw materials we are hoping to send, but as a matter of fact they will form a substantial proportion of the Russian demands, and America should be able to send a good deal of the balance.

24th July, 1941.

SECRETARY OF STATE FOR AIR.

56

I enclose a copy of the
raw material for the Prime Minister
telegram to Monsieur Stalin. Do
you agree? Please ask your
Private Secretary to inform
Cairneross. I am trying to see
Harry Hopkins tonight to let me
know how matters stand.

24TH JULY. 1941.

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Following personal message from Prime Minister to Moneieur Stelin.

I am glad to inform you that the Wer Cabinet have decided to send to Russia as soon as possible 2000 Tomahawk Fighter Acroplanes. 140 of these will be sent from here to Archangel and 60 from our supplies in the United States of America. Details as to spare parts and American personnel to erect the machines have still to be arranged with the American Government.

Do to two to three million pairs of ankle boots should shortly be available in this country for shipment. We are also arranging to provide during the present year large quantities of rubber, tin, weel and woollen cloth, jute, lead and shellac. All your other requirements from raw materials are receiving careful consideration. Where supplies are impossible or limited from here we are discussing with the United States of America.

Details will of course be communicated to the usual official channels.

Runia

SECRET.

25th July, 1941.

58

Dear Fraser,

In reply to your letter of the 25th July, with which you enclosed a copy of a telegram from Cripps No.179 ARFAR with regard to payments arrangements with Russia, as well as your draft reply, I want to make one or two observations.

My conversations with Mr. Hopkins and Mr. Harriman yesterday did not get very far. Mr. Hopkins did not receive, within the expected time, a reply to his telegram to Washington asking for precise details of the proposals they had sent him, and in view of the large amount of ground he had to cover here he said we had better communicate direct with Washington.

The War Cabinet approved the proposals as regards aircraft for Russia, after which Mr. Hasler sent a telegram to Purvis which will be put into circulation. I understand that the Prime Minister also sent a telegram to Monsieur Stalin giving our intentions in broad outline.

In my Report to the War Cabinet yesterday I mentioned that "the question of payment will have to be considered". I think that your telegram can be considered as the first step in exploring the question of payment.

I presume that your paragraph 40 is all right from the point of view of the Service and Supply Departments, but you will know this better than me.

Subject to the above remarks I concur in your draft telegram.

Yours sincerely,

W.L. Fraser, Esq., H.M. TREASURY.

CAB 63/156

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PUBLIC RECORD OFFICE CAB 63/156 John a 59

25th July, 1941.

SECRET

Dear Hasler,

With reference to my letter to Lord Hankey yesterday about the Toluch for Russia, I now see from 482 Apurs that the U.S. proposal is not, as I had gathered at the meeting, to send one shipment of 2,000 tons, but to send 2,000 tons now from British and American stocks, to be followed by 2,000 tons a month from U.S. production.

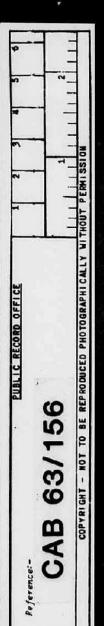
This is rather a different picture, and our Explosives Department, while they still do not feel justified in actively opposing the suggestion made by the U.S. Government, think that in view of the size of thid diversion it is important that we should enter a <u>caveat</u> on the lines indicated in my yesterday's letter - vis, that we hope that the U.S. Government will ensure that any shipments to Russia will not prejudice supply to our own requirements in the U.S. for the manufacture of T.M.T. They would be glad if a chaser could be sent to APURS 482 to this effect.

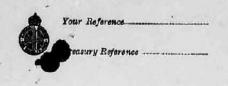
I am sending copies of this to Lord Hankey and to Berkeley.

Yours sincerely,

G. F. SEEL

W. J. Hasler, Esq., Offices of the War Cabinet, Great George Street, London, S.W.1.







TREASURY CHAMBERS, GREAT GEORGE STREET, LONDON, S.W.1.

25th July, 1941

Dear Lord Hankey,

I send you enclosed copy of telegram from Cripps No. 179 Arfar with regard to the payments arrangements with Russia.

I also send you copy of my draft reply and would like to draw your particular attention to paragraph 4, and especially as to whether I have your approval to mention the question of goods of American manufacture being released. I believe you have had conversations with Mr. Hopkins and Mr. Harriman on the subject and I want to be careful to know that you are in agreement with what we suggest saying to Moscow.

As Cripps has asked for an expeditious handling of the reply, I should be grateful if you would let me know your views as soon as possible to-day.

Yours sincerely.

The Rt. Hon. Lord Hankey, G.C.B.,G.C.M.G.,G.C.V.O., 55, Whitehall, S.W.1. W. France

SECRET.

COPY OF A TELEGRAM DATED 23RD JULY, 1941
FROM SIR S. CRIPPS, MOSCOW TO MINISTRY OF ECONOMIC WARFARE.

No. 179 ARFAR.

R. 4.25 a.m. 24th July, 1941

IMMEDIATE.

Mossy.

Foreign Office telegram No. 849.

Your proposals were handed to Mikoyan 20th July and he gave his answer to Cadbury to-day.

- 2. He agreed that credit should only apply to balance of clearing and to pay 40% in dollars.
- 3. He suggested however three alternatives.
- (a) in place of our proposal that buyer should carry his own losses in transit he asked that His Majesty's Government should insure Soviet vessels and cargoes against war and marine risks at reasonable rates by which he seems to mean standard rates less a sizeable rebate. I shall be grateful for your comments on the proposal and for an indication on rates you could quote.
 - (b) Interest to be at 3% instead of 31%.
- (c) He insisted that what he wanted was a five year credit and not a three year credit with payments spread over five years. He proposed credits should be repaid in fire equal annual instalments at the end of the third and subsequent years.
- 4. He indicated that if agreement could be reached on the above points our other proposals should not cause any difficulty.
- 5. I regard it as valuable concession that he has agreed to pay 40% cash in dollars when we were prepared to accept only one third and you may therefore feel able to meet his desire for a longer term credit and a lower rate of interest.
- 6. I submit the following alternatives for your consideration.
- (a) to agree to his proposals of dates of payments but to retain interest at $3\frac{1}{2}\%$ (b) to take repayment in one sum at the end of 5 years, retaining interest at $3\frac{1}{2}\%$ (c) to take payment in seven equal annual instalments at the end of the first and subsequent years and to agree to interest at 3%. This would meet him halfway over term of credit and wholly on rate of interest.
- 7. I feel that (c) would be the most desirable from our point of view. Please let me know your opinion. I should however be grateful for authority to settle on (a).
- 8. Mikeyan was evidently anxious to reach some agreement as soon as possible and is preparing a draft text for our next meeting. A reply is therefore expeditious.

SB 63/156

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PUBLIC RECORD OFFIC CAB 63/156 DRAFT TELEGRAM TO SIR STAFFORD CRIPPS, MOSCOW THERETATE

MOSSTY

Your telegrem 179 Arter

1. We are pleased to note paragraph 2 of your telegram under

2. We agree in any case that interest should be charged at 3%. 3. Unless you can obtain agreement upon a credit repayable in seven armed instalments as suggested in paragraph 6(a) of your telegrem you are authorised to accept Mikeyen's proposals for repayment, i.e. by five equal annual instalments communing at the end of the third year, may on July 31st 1944.

4. These arrangements should cover not only the supplies to be handled by the United Kingdom Commercial Corporation but also deliveries by the Service Departments, excluding however any releases of American manufacture which might be decided upon-

5. The position as regards insurance mentioned in Paragraph 3(a) of your telegrem is more difficult and is as follows:-

- (a) As regards cargoes, the Covernment War Risks Insurence Office have in fact assisted in the insurance of these cargoos, accepting such part of the value as cannot be placed in the open market by reason of the size of the ingurance.
- (b) As regards ships, the War Risks Insurance Office would be willing to commider insurance of hulls, subject to agreement in regard to the value insured. We suggest that the Russians? Pepresentatives who are here in London should communicate with the War Risks Insure Office, to will explain the full position of half it was of hulls

(c) The rates which the War Ricks Insurance Office are queting welsfrent offices and eccepting are not and this is their practice for all business, even for British vessels.

m Shipping mothers. 6. A draft Heads of Agreement will be forwarded to you by bag as early as possible setting out our suggestions on the technical operation of the account.

Should be connected for collaboration

Rear-Admiral Hermon-Hodge, Admiralty.

SECRET. Captain Berkeley, War Cabinet. 26th July, 1941.

Dear Hasler,

May I call your attention to the Minutes of the 28th Meeting of the Committee for the Co-ordination of Allied Supplies (C.A.S.(41) 28th Meeting, Page 2, Conclusion (iv)(b)) where the Committee "noted that the Chairman would make inquiries in the appropriate quarter as to -

- (a)
- (b) Possible Russian demands for naval equipment in the United States.

I could not get anything out of Harry Hopkins about (b). Would you kindly send a telegram to the Purvis Rission informing them that we have received some naval demands end asking whether they know of any Russian demands for such equipment in the United States?

Yours sincerely,

P.S. I am most grateful for your help on Thursday evening.

W.J. Hasler, Esq., Offices of the WAR CABINET.

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Great George Street

64

26th July, 1941.

Dear Lord Hankey,

Thank you for your letter of 26th July about Conclusion (iv)(b) of the 28th Meeting of the C.A.S. Committee.

I have sent a telegram to Purvis asking for information and at the same time letting him know what we have done as regards mines and depth charges which are, I understand, the only naval demands made here. I have also taken this opportunity of putting in a word about toluol, as requested by Seel.

The telegram will be sent to you as soon as it has been distributed.

Yours sincerely.

W. J. Hasler

The Rt. Hon. Lord Hankey, G.C.B., G.C.M.G., G.C.V.O., 55, Whitehall, S.W.1.

VI THOUT PUBLIC RECORD OFFICE REPRODUCED CAB 63/156

OFFICES OF THE WAR CABINET GREAT GEORGE STREET, S.W.1

27th July, 1941.

Dear Lord Hankey.

I telephoned Washington last night to know what progress was being made on Russian requirements. I spoke to Mr. Pinsent one of the Secretaries of the Supply Council who is, I know, concerned with this question. I told him that the matter of aircraft supplies, with the Russians in particular, was being dealt with here on a very high level and that we were being pressed for a reply to our telegram Apurs 482 on this matter. He told me that on their side also this question was being handled only in the highest quarters and unfortunately the people with whom they had most contact were not being kept informed. He promised, however, to let us have a reply either in our series of telegrams or from Air Marshal Harris to the Air Ministry. I pointed out that what we wanted to know first of all was whether the Americans would provide spare parts and ground equipment, without which our offer of fighters would be useless.

As regards raw materials and industrial equipment, Pinsent said that the Americans had been very slow to get going with Russian requirements, - this was largely because the Russians had not given them any specific war-time list of requirements and (all they had was a miscellaneous collection of orders on which the Russians had placed at various times in the past and had not been able to place owing to restrictions in export to Russia). Now, however, a special man had been appointed to look after the Russian requirements (see Washington telegram 3471 paragraph 2) and he thought they would get moving. A meeting had been arranged for next Monday to discuss aluminium on which he thought that something could be done, although there could be no question of immediate supplies.

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I am sending copies of this to Villiers and Berkeley.

Yours sincerely,

w. J. Hasler

P.S. I am Keeping Sin Archibald Similario Severary informed.

The Right Hon.
Lord Hankey, G. C. B., G. C. M. G., G. C. V. O.,
Paymaster-General.

CAB 63/156

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OFFICES OF THE WAR CABINET GREAT GEORGE STREET, S.W.1

SECRET.

28th July, 1941.

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hord bankey

A Meeting was held here this afternoon under Sir Edward Grigg's Chairmanship at which the following decisions were taken:

- 1. The Rubber Control are prepared to release 10,000 tons of rubber (of types corresponding to Russian needs as reported to us by Sir Frank Nixon, who had consulted the Soviet Trade Delegation) from stocks in this country. The Ministry of War Transport have taken note that this quantity will have to be replaced over the next few months.
- 2. Certain naval and other supplies are, as you know, being assembled for loading on British ships which are to proceed to the north and await a suitable naval opportunity for convoying to a North Russian port. The Ministry of War Transport have agreed to increase the number of ships (probably from three to five) so as to allow the transport of this quantity of 10,000 tons of rubber.
- Justice in the Director of Sea Transport's Department at the Ministry of War Transport. The intention is that the five ships should be fully loaded with the rubber and other supplies within one week or at the most ten days. They will then proceed northward to await Admiralty instructions.

I concur,

Subject to your concurrence I propose to circulate a record of these arrangements as a C.A.S. Paper, but to make no reference in this Paper to the Prime Minister's intervention as reported to you in Sir Edward Bridges' letter of this morning. As it happens, a Russian request which is clearly the same as that conveyed to the Prime Minister by M. Stalin is conveyed in Telegram No. 180

/Arfar

CAB 63/156

9 cmun

Arfar Mossy from Moscow, which I circulated this morning. It would therefore be convenient to pin the present arrangements on to this Telegram and to conduct any correspondence with Moscow (that may be required) in the Arfar Mossy series. I am asking Sir Edward Bridges for his concurrence in these arrangements.

Culturely

to dis concurrence in the last paragraph, and in anticipation of your report to the.

Many though I attack a Minute I have sent to the Prim Minister world also a letter to to ridges covering the same.

Please see that a reply is neck own through Sufar Many.

The Rt. Hon. Lord Hankey. series

28. VII. 61

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MOST SECRET.

28th July, 1941.

Dear Lord Hankey.

I understand that a copy of telegram 865 from Moscow to the Foreign Office about the supply of rubber is being sent to you. I enclose a copy herewith.

The Prime Minister has also sent a reply to M. Stalin, of which the first paragraph reads as follows:-

"* * * * * * *

1. Rubber. We will deliver the goods from here or United States by the best and quickest route. Please say exactly what kind of rubber and which way you wish it to come. Preliminary orders are already given.

* * * * * * *"

The Prime Minister has read this reply to the First Sea Lord, and has asked him to look into the shipping aspect, suggesting the possibility of the despatch of the rubber via Archangel, on the assumption that it might be spared from this country.

I have been asked by the Prime Minister to invite you to arrange for the necessary enquiries about the supply of rubber to Russia to be put in hand at once.

PUBLIC RECORD OFFICE CAB 63/156

I am sending a copy of this note and of the enclosures to Berkeley.

Yours sincerely,

EE Bridges

The Right Hon. Lord Hankey, G.C.B., G.C.M.G., G.C.V.O.

VI THOUT CAB 63/156

Copy to Captain C.M. Berkeley.

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MOST SECRET.

28th July, 1941.

My dear Bridges,

Rubber for Russia.

Immediately on receipt of your letter about telegram 865 from Moscow to the Foreign Office about the supply of rubber for Russia, I put in hand the necessary inquiries.

A meeting is taking place this afternoon under the Chairmanship of Sir Edward Grigg, and I hope to let you have a reply Tuesday morning.

I could not take this meeting myself because I was booked for the meeting on the Hovde plan. Grigg, however, is Vice-Chairman of my Committee for the Co-ordination of Allied Supplies and Chairman of the Sub-Committee on Civil Supplies, and knows all about the subject.

I am sending a copy of this letter to Berkeley.

Yours sincerely,

Sir Edward Bridges, KCB. MC.

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WHITEHALL 300.

Miller

Copy sent to Capt. Berkeley. and Lord Beaverbrock.

55, Whitehell,

S.W.1.

SECRET.

29th July, 1941.

My dear Bridges,

I enclose a copy of a Minute about Rubber for Russia which I have sent to the Prime Minister. It is based on Berkeley's Minute to me, of which you have received a copy.

I agree with Berkeley that it would be convenient to pin the present arrangements to Telegram No.180 ARFAR MOSSY from Moscow, and to conduct any further correspondence with Moscow on this subject in the ARFAR MOSSY series.

Yours ever.

Sir Edward Bridges, KCB., MC., Offices of the WAR CABINET. PUBLIC RECORD OFFICE CAB 63/156

Musia

LORD HANKEY.

Sir Edward Bridges 'phoned up and asked if you were letting the Americans know about the supply of rubber to Russia.

I told him that you were seeing Mr. Harriman about another matter this evening and that you would no doubt take the opportunity of mentioning the arrangements completed by you then.

Berkeley asked me to suggest to you that it might be advisable to stress to Mr. Harriman, as the Americans had not been very co-operative in the matter of facilitating the supply of rubber to Russia from the Far East, where their buyers have a great hold on the rubber market, that we were supplying these 10,000 tons at a considerable sacrifice to ourselves. The 10,000 tons represent about a month's British consumption, and we have only a seven months' stock at the present time.

Done, #, 29. VII.41 29th July, 1941.

CAB 63/156

OFFICES OF THE WAR CABINET GREAT GEORGE STREET, S.W.1

29th July, 1941.

Tean Loid branky

I have been informed privately that A.C.G.I.S. has agreed to the proposal submitted at the last meeting of your Committee (Item 3, conclusion iii) that we should consider further the question of communications in the Persian Gulf area.

The position in Iran is exceedingly complicated. Political and military considerations are still under discussion on a high level, and no action has been possible except to encourage the U.K.C.C. to collect, convert to at the political arrange to supply locomotives from Hongkong and other sources, and also a certain quantity of folling stock. The provision of additional motor transport still meets with opposition from the Government of India, and improvements in administration, etc., clearly depend upon the political decisions still impending.

The question is so important from the standpoint of supplies to Russia, however, that I do not think we should further delay discussion of the improvements that might be made if political developments allow. There are no doubt many preparations that could be made, and in particular, we might attempt to smooth out the conflict of views as regards a provision of additional motor transport. I have just learned that M.E.W. and the Ministry of War Transport consider that a good deal of material could be moved to Russia through India from Karachi by rail and road, practically avoiding Iranian territory altogether. This would circumvent political complications at present prevailing on the Persian side. I have asked these two departments to submit a paper explaining this proposal as a matter of urgency.

I should be grateful for your guidance on the next subject from. The Committee decided at their last meeting that an informal sub-committee should handle communications. As many departments will be involved, however, in the initial stage, you may prefer to have a meeting of the full committee to begin with. In any event I suggest that it might be best to consider Iran and India only to begin with, on the basis of the urgent need for opening up an alternative route to Russia.

Iraq and Syria could come next. I believe that the War Office and Commander-in-Chief, India, are being reasonably active as regards the first, and that active steps are being taken to re-open communications in the second.

The Rt.Hon.Lord Hankey, G.C.B.,G.C.M.G.,G.C.V.O., 55 Whitehall, S.W.1. John since of the server of think we should have a meeting before your gotto, oving up the present situation and dear with this question.

Copies sent to:-

Sir Edward Bridges. Captain Berkeley. Lord Beaverbrook.

29th July, 1941.

PRIME MINISTER.

RUBBER FOR RUSSIA.

- Arrangements for the despatch of 10,000 tons of Rubber to Russia are now complete.
- The Rubber Control are releasing 10,000 tons from stocks in this country of types corresponding to Russian needs as ascertained by the United Kingdom Commercial Corporation from the Soviet Trade Delegation.
- This quantity will be replaced in this country over the next few months.
- The Ministry of War Transport are providing British shipping to load this rubber and certain other supplies. These ships, probably five in number, will be loaded within a week, or at most ten days, and will proceed northward to await Admiralty instructions as to convoy to a north Russian port.
- Detailed arrangements are centralised with Mr. Justice in the Director of Sea Transport Department at the Ministry of War Transport.
- A Russian request for rubber, which is clearly the same as that sent to you by Monsieur Stalin, has been received through the normal channels, through which a reply containing the above arrangements will be sent.

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CAB 63/156

Copy sent to Captain C.M. Barkeley. and to Sir Edward Grigg.



30th July, 1941.

PRIME MINISTER.

I attach a draft as the basis of a telegram for you to send to Monsieur Stalin.

I have delayed sending this draft earlier in the day because I am momentarily hoping to hear that the original 10,000 tons from Malaya will be raised to 11,500 tons, so as to fill to capacity the s.s. "MAXIN GORKI" and the s.s. KRASNY PARTISAN". At the moment, however, the actual decision has not yet been taken, and to save delay I have said in the last paragraph of the draft that the total quantity of rubber will amount to "at least 10,000 tons".

(Sgd.) HANKEY.

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DRAFT TELEGRAM.

Following from Prime Minister for Monsieur Stalin.

Following my personal intervention, arrangements are now complete for the despatch of 10,000 tons of rubber from this country to one of your northern ports.

- 2. In view of the urgency of your requirements we are taking the risk of depleting to this extent our metropolitan stocks, which are none too large and will take time to replace.
- 3. British ships carrying this rubber and certain other supplies will be loaded within a week, or at most ten days, and will sail to one of your northern ports as soon as the Admiralty can arrange convoy.
- 4. This new amount of 10,000 tons is additional to the 10,000 tons of rubber already allotted from Malaya. The 2,651 tons have already sailed on the 20th July in s.s. "VOLGA" from Port Swettenham for Vladivostok.

 s.s. "ARCTIKA" has also sailed from Malaya with 2,500 tons on board. s.s. "MAXIM GORKI", which left Shanghai on July 25th, and s.s. "KRASNY PARTISAN" due to sail from Hong.

CAB 63/156

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PUBLIC RECORD OFFIC CAB 63/156

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PUBLIC RECORD OFFICE Reference:-

Kong on August lat, should reach Malaya early in August and pick up additional cargoes of rubber which, added to those carried in the first two ships, will raise the amount to et least 10,000 tons.

55, Whitehall, S.W.1.
30th July, 1941.

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PUBLIC RECORD OFFICE

CAB 63/156

Telephone:
AVENUE 5011.

ENCOMIUM, FRN, LONDON.

UNITED KINGDOM COMMERCIAL CORPORATION LTD.

PLANTATION HOUSE

(Rood Lane Entrance)

FENCHURCH STREET,

LONDON, E.C. 3

30th July 1941 81

The Rt. Hon. Lord Hankey, G.C.B., G.C.M.G., G.C.V.O., 55, Whitehall, 8.W.1.

Dear Hankey,

- 1. There is a minor but urgent crisis about rubber for Russia which I fear I must refer to you.
- 2. As you will remember, four Russian boats, the "Volga", "Arctica", "Krasns Partisan" and "Maxim Gorki", have been ordered to Singapore and other Malay ports to load rubber, tin, etc. 10,000 tons of rubber have been made available for these boats and there has already been trouble about delays for the first two.
- 3. We have today been informed that if the last boat, the "Maxim Gorki" is to be fully loaded, it will require approximately 1,800 tons of rubber in addition to all the rubber mentioned above.
- 4. In the meantime, at the meeting over which Sir Edward Grigg presided on Monday, it was agreed that a further 10,000 tons of rubber should be made available for Russia immediately from stocks in this country.
- 5. Today, Sir Walrond Sinclair, the Rubber Controller, informs us that it will be necessary to replace this rubber at a much earlier date than seemed necessary at Monday's meeting. He is therefore finding it very difficult to agree to our obtaining the further 1,800 tons for the "Maxim Gorki", since he will require all available rubber from Malay to replace what is being drawn from our stocks in this country.
- 6. Having in mind the reproaches that have already been sent from Moscow about delays in loading Russian boats in Malay, it is, I think, impossible to contemplate sending the "Maxim Gorki" short-loaded.
- 7. It might therefore be suggested that, if we are to give Russia in Malay 1,800 tons of rubber in excess of what we first

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promised, we might deduct this amount from the second 10,000 tons which is to be shipped from this country. I very much doubt, however, in view of the terms of the telegrams which have passed about this second 10,000 tons, whether this should be suggested - apart from the fact that the boats have been made available to take the full quantity.

- 8. It was impossible to foresee this situation since, as these are Russian boats, their dimensions were unknown to us and it is only today that we have learned how much was loaded on the first three boats, and consequently what space was available on the "Maxim Gorki". Even the figure of 1,800 tons which I have used above is an estimate which may be modified to some extent when the final loading takes place.
- 9. The "Maxim Gorki" is due to arrive in Rangoon on August 11th with orders to take 1,000 tons of lead. This is all we can be quite sure of making available by that date. It is possible that a little more could be brought to Rangoon in time, but this could not exceed a further 500 tons. We should then in any case have space for about 1,300 tons of rubber. (I am advised that this figure is roughly correct in spite of the differences in deadweight and measurement weight of the two commodities.)
- 10. In all the circumstances, we must aim at loading a further 1,500 tons of rubber on the "Maxim Gorki", and if we succeed in doing this, we shall have a satisfactory cargo.
- 11. I am sending copies of this letter to Sir Edward Grigg, and Sir Walrond Sinclair and Villiers, M.E.W.

Yours sincerely,

The Novem.

SECRET .

RUBBER FROM MALAYA.

The position of the supply of rubber from Malaya for Russia is as under:-

The following two ships have sai	lled:-
s.s. "VOLGA" sailed from Port Swetter	Tons
for Vladivostok on July 20th with	2,651
s.s. "ARCTIKA" sailed from Malaya on	2,500
Total rubber already despatched	5,151
Balance to be despatched	4,849
Future sailings already arranged	1:-
".s. "KRASNY PARTISAN" due to sail fo Malaya from Hong Kong on August 1st	
with	3,000
s.s. "MAXIM GORKI" sailed for Malaya from Shanghai on July 25th with	1,849

Total - 4,849, making 10,000 tons in all.

s.s. "MAXIM GORKI" is a large ship and could carry an additional 1,500 - 1,800 tons, which would raise the total to at least 11,500 instead of 10,000 tons. It was thought that for the ship to arrive light at Vladivostok would create a bad impression in wimm with the Russian Government in view of their urgent need for rubber. The Ministry of Supply (Rubber Controller) were asked to find this additional amount. There was some difficulty owing to the need for replacing as soon as possible the 10,000 tons to be sent direct from England. Last night the officials stated that the additional 1,500 - 1,800 tons could be found, but this morning it is learnt that the Minister has decided against its release.

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OFFICES OF THE WAR CABINET GREAT GEORGE STREET, S.W. 1

84

31st July, 1941.

Dear Lord Hankey,

I attach a copy of a letter we have received from Mr. Plowden in the Ministry of Aircraft Production who is the authority on aluminium. His letter discloses that our ability to supply the amount of aluminium which we had thought of supplying to the Russians may have been prejudiced by the recent strike at the smelter in Canada. We have not yet received a reply from the Americans as to whether they would be able to join with us in offering supplies of eluminium to the Russians, and until we get a reply to that telegram I do not think we should take any further action. Presumably we shall soon have more certain information of the effect which the Arvida strike has had on our aluminium supply.

I am sending a copy of this to Berkeley.

Yours sincerely,

W. J. Hasler

is, but we must

The Rt. Hon. Lord Hankey, P.C., G.C.E., G.C.M.G. G.C.V.O. 55, Whitehall, S.W.1.

PUBLIC RECORD OFFIC CAB 63/156

Ministry of Aircraft
Production,
D.M.P., Millbank,
S.W.1.

SECRET.

30th July, 1941.

85

Dear Brand,

S.B. 19716/DMP.

You may have seen in the press reports of the strike at A.C.O.C's aluminium smelter at Arvida. We understand this will involve us in the loss of from 12,000 to 15,000 metric tons of aluminium, as there has been a shut-down of the entire plant, and full production cannot be resumed within three weeks.

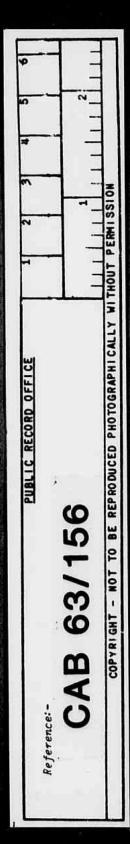
I am afraid this loss at a time of rising requirements may materially affect our inability or willingness to set aside aluminium at the rate of 1,000 tons a month for the Russian Government, as contemplated in our recent discussions.

I am sending a copy of this letter to Professor Postan of the Ministry of Economic Warfare.

Yours sincerely,

(Signed) E.L. PLOWDEN.

Hon. T.H.Brand, War Cabinet Offices, Gt. George Street, S.W.1.



WHITEHALL 3400

Copy sent to Sir Edward Grigg.
Captain Berkeley.

55. Whitehall, S.W.l.

SECRET.

31st July, 1941.

苦白

Dear Mixon.

- 1. Thank you for your letter of the 30th July about rubber for Russia.
- Yesterday I was drafting a telegram which the Prime Minister wanted to send on this subject, and I gather that there was some hitch but luckily it was very cautious about the Malayan supplies in the "KRASNY PARTISAN" and "MAXIM GORKI."
- J. I have been making inquiries and I gather that M.M.W. have the matter actively in hand and hope to obtain a satisfactory arrangement.

Yours sincerely,

P.S. Since dictating the above I learn by telephone that the matter has been settled and I gather that the Sir Frank Nixon, KCB. additional rubber will be released.

(Intd.) H.

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Hol. 3434

A.F.L.2.

AIR MINISTRY.

KINGKEMARKES STREET.

SECRET.

WHITEHALLX SXWXI.

PRINCES HOUSE, KINGSWAY, W.C. 2.

7th August, 1941.

DORT LON Hankey.

As I told you yesterday, I am unfortunately unable to come to the meeting to-morrow, but Flight Lieutenant Mallowan will speak on Air Ministry matters.

I attach a copy of a Progress Report on the supply of air material to Russia. I believe it covers everything aeronautical that we have been asked for other than the large scale general request for 6,000 aircraft, etc. which we are all agreed we are not yet prepared to consider as practical politics.

This Report is for your personal information, and I hope you will agree that none of the detail should be mentioned at the Committee. The three main points which Mallowan will make are:

- Everything that can be supplied, and that is virtually all that is asked for at the moment other than our large size H.E. bombs and certain radio sets, is being shipped in the shipment which is to go shortly.
- 2) The Tomahawk position is still uncertain in that we are unable to supply spares and ammunition and have not yet heard whether the Americans will supply sufficient. You will remember that we made our offer of aircraft conditional on the Americans supplying the spares, etc.
- 3) We are, nevertheless, taking a risk and shipping at least 44 Tomahawks before we know whether there will be spares, ammunition and ground equipment for them.

The Rt. Hon. The Lord Hankey, P.C., G.C.B., etc. 55, Whitehell, S.W. 1.

your sicerely S.R.K. Slaunte

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Distribution.

P.S. to S. of S.

Vice C.A.S.

D. of Plans.

D.A.F.L.

A.I.2.(b)

Wing Commander Lowe.

Colonel Firebrace.

A.F.L.2.

Lord Hankey.

Mr. Coulson, War Cabinet.

Movements 1.

SECRET.

SUPPLY OF AIR MATERIAL TO RUSSIA.

PROGRESS REPORT : POSITION AT 1800 Hours on 7.8.1941.

The following list covers all aeronautical items dealt with in General Golikov's letter to the Secretary of State for Air of July 24th, 1941 and at a meeting held at the Air Ministry between Admiral Kharlamov and Air Vice Marshal Medhurst on the 25th July, 1941.

- 1. ONE NIGHT FIGHTER (Hurricane IIA) equipped with V.H.F. on board ship. One set I.F.F. Mark II with accessories and six detonators at the dock side, and will sail on the same ship as the Hurricane.
- 2. DRAWINGS AND SPECIFICATIONS for the manufacture of V.H.F. are being prepared and will be ready in about three weeks.
- 3. DRAWINGS AND SPECIFICATIONS for 4 lb., 25 lb. incendiary bombs and 1,000 lb., 2,000 lb. and 4,000 H.E. bombs dispatched by aeroplane to Moscow on 28/7.

Duplicate sets of drawings and instructions for the use of small bomb containers received, one copy sent to Embassy on 4/8, second copy being sent to Moscow at earliest opportunity.

- 4. 1,500,000 INCENDIARY LEAVES (approximately 100 tons) about to be loaded on ship.
- 5. LARGE SIZE H.E. BOMBS. Six 1,000 lbs. bombs (not with R.D.X.) available but not being dispatched until Russians have informed us

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that they consider them suitable for Russian aircraft. Arrangements for visit to Bomber Stations for this purpose in hand.

6. BOMB SIGHTS. Three Mark IXA bomb sights are about to be loaded. Shipment of larger consignment will await information from Moscow as to probability of using this sight in Russian aircraft.

7. TOMAHAWKS.

- (a) Of the 141 aircraft being dispatched from this country to Archangel 44 certainly, possibly more, will be got into the present shipment.

 The maximum that can be shipped immediately is 56.
- (b) The 59 being released in the U.S.A. will be shipped to North Russia under arrangements made by the Americans.
- (c) The U.S. Authorities will provide all spares and equipment for these machines with the exception of radio. They will also provide 4,000,000 rounds of .30 ammunition, but they cannot provide any .50 ammunition.
- (d) No spares or ammunition are available from this country, and we have again urged that both should be supplied in sufficient quantity to cover all 200 aircraft by the U.S.A. Pending a final reply on this point, the proposal to supply 250,000 rounds of .50 ammunition from the U.K. has been put back for a week.
- (e) We are providing radio (T.R.9.(d)) for all 200 aircraft. Moscow has been asked by signal if this set can be used by the Russians.

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The Tomahawks going from this country have the radio installed. The sets for the aircraft going from the U.S.A. will be shipped separately to North Russia.

- (f) Details of flying characteristics, performance, etc. of the Tomahawks have been sent to Moscow by aeroplane and duplicate copies supplied to the Russians here.
- (g) Instructors. The Americans have agreed to two of their Pilots, who were over here, going to Moscow nominally as Assistant Air Attaches to act as Instructors on the Tomahawk. One is already there, the other will follow at the earliest opportunity.
- (h) The Americans have agreed to dispatch 10 technicians (5 airframe and 5 engine mechanics) to Russia in advance of the aircraft from U.S.A. It is hoped that these will be sufficient to supervise the maintenance of all 200 aircraft and that it will not be necessary to send two American mechanics from this country, the most in any case that we could spare.

8. TETRA ETHYL LEAD. 400 tons about to be shipped.

7th August, 1941.

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Munia 93 Plane,

SECRET.

11th August, 1941.

Dear Glanville,

Thank you very much for your letter (A.F.L.2) of the 7th August enclosing a Progress Report on the supply of air material to Russia.

I am much obliged for this Report, which has been useful to me and which I have been careful to keep for my strictly private information.

and the officer replacing you did his job effectively.

Yours sincerely,

Squadron-Leader S.R.K. Glanville, Air Ministry, Princes House, Kingsway, W.C.2.

nell-

Copy sent to Capt. C.M. Berkeley.

94

55.

SECRET.

13th August, 1941.

Dear Hall,

The interminable question of rubber will be coming up again at the meeting of the Allied Supplies Committee on Friday morning. I attach a copy of a memorandum that is being circulated on the subject.

You are aware no doubt that the Prime Minister has taken a particular interest in this question, and has sent personal telegrams to Monsieur Stalin on the subject. Information has reached me that the Prime Minister is particularly concerned in the whole question of Russian supplies, and as soon as he returns to London, or before, we are likely to be pressed to get on as fast as possible.

In the circumstances I am most anxious to do everything possible to push on with the question of rubber for Russia, and it would be a great help to me if you could obtain instructions from your Minister, if possible before Friday's meeting.

I expect that Lord Beaverbrook's Private Secretary can get a message through.

Yours sincerely,

(8gd.) HANKEY.

R.L. Hall, Esq.,
MINISTRY OF SUPPLY,
Steel House,
Tothill Street, S.W.l.

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PUBLIC RECORD OFFICE

PUBLIC RECORD OFFIC CAB 63/156 OFFICES OF THE WAR CABINET GREAT GEORGE STREET, S.W.1

MOST SECRET.

18th August, 1941. 95

Than how banky

I understood from Bridges that it is not proposed to hold the Tripartite Conference in Moscow until some time next month, when it will no doubt be easier to estimate how far east the Russian front may be driven before the winter sets in, and therefore to what extent Russian raw material resources and industrial capacity remain available.

I also gathered that the Minister of Supply was to be the head of the British Delegation, though the newspapers this morning suggest that Mr. Eden may be going.

Subject to any discussions in which the Minister of Supply may at the moment be engaged in America, supplies to Russia are being handled as follows:

- (a) Military supplies: Service Departments, reporting more or less punctually to you and achieved in one case (Air Ministry) in conjunction with the Americans through the Air Mission in Washington.
- (b) Raw material supplies: The M.E.W. machinery under Mr. Villiers, working very fully under the control of your Committee and handling the whole subject, except in so far as Ministers occasionally take a hand (e.g. in the case of rubber).

The Chiefs of Staff have more or less recognised the existing machinery and have referred to it specifically, in the case of military supplies also, in recent telegrams to General Macfarlane.

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In the circumstances, would it not be opportune to prepare a brief description of the existing machinery, to be placed in the hands of the Minister of Supply, and perhaps the Foreign Secretary, at a convenient opportunity? The Conference in Moscow will clearly be on a very high plane and we cannot hope to dovetail a hundred percent into the existing machinery. At the same time a good deal of confusion may perhaps be avoided if those concerned are made aware fairly soon that some machinery does already exist.

The question of organising the Conference has not arisen yet so far as we are aware in this Office.

Jam Guery

The Rt. Hon. Lord Hankey.

18. 14441

OFFICES OF THE WAR CABINET GREAT GEORGE STREET, S.W. 1

MOST SECRET.

18th August, 1941.

Tean land trankey

Military Supplies to Russia.

I have heard both from the Admiralty and from the War Office about the supplies to Russia with which they are at the moment occupied, excluding certain further naval items which are still under discussion.

The Admiralty are sending in the convoy now being assembled 4,000 aerial torpedoes, 1,000 mines, 300 6 ft. magnets for mine sweeping and a few odds and ends.

The War Office are shipping 700,000 pairs of boots and propose to send the remaining 2,300,000 in the next few weeks if shipping is available.

I have had no report from the Air Ministry, which is of course the most important at the present moment. We had a verbal assurance last week that arrangements for the supply of 200 Tomahawks were proceeding actively. I have also seem references to the despatch of a small number of Hurricanes, and to the possibility of sending bombers from the United States.

Glanville knows that you are anxious to have information and has promised to give you details privately as soon as he can. I think the reason for the delay is quite legitimate: intricate negotiations with the Americans are still proceeding on a high plane, and the supplies fall very nearly in an "operational" category.

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The Rt. Hon. Lord Hankey.

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reference:

MOST SECRET.

20th August, 1941.

Dear Lord Hankey,

Following a meeting which was taken by Mr. Jenkins on Monday afternoon, we have prepared a brief statement for submitting to higher authority the issue on the full development of Persian Gulf routes for supplies to Russia. The matter has been very fully discussed, and I believe this takes account of the views of the Departments concerned, but I am sending copies for concurrence to Ronald (Foreign Office), Rumbold (India Office), Lord Drogheda (M.E.W.) and General Macready (War Office).

Yours sincerely,

5MJ mass

SUPPLIES TO RUSSIA - PERSIAN GULF ROUTES.

99

The policy of increasing supplies to Russia depends upon the traffic capacity and the security of the limited number of routes available.

These routes are at present

- (a) the Siberian routes:
- (b) the Northern routes; and
- (c) the Persian Gulf routes.

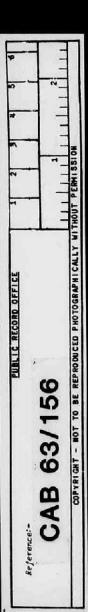
The estimated present traffic capacity for supplies to Russia by the Northern routes is rather less than 10,000 tons daily; that of the Siberian routes is less than half, and that of the Persian Gulf routes well under one-tenth of the above figure.

The Siberian routes may at any moment be closed by the Japanese; the Morthern routes are available only between June and mid-November and are open to enemy interruption, and the Persian Gulf routes are at present available for a negligible tonnage only. As the Persian Gulf routes are the least threatened and are also the shortest between the main sources of supply and the main centres of Russian consumption, their rapid expansion to maximum capacity is clearly of the highest importance if the successful execution of the new policy is to be assured.

Development of these routes cannot, however, proceed without regard to the strategic situation of India, which is thus expressed in the Covernment of India telegram No. 4182 of 11th August to the Secretary of State for India:-

> "In our view the whole question must be regarded against a very wide background. If as you suggest in paragraph (2) of your telegram No. 8936 dated 30th July Vladivostock route may be cut off any moment it is clear that overland supply routes must be organised capable of carrying almost daily a volume of traffic equal to that now contemplated monthly for Nokkundi-Meshed route. If then we make a beginning with this Meshed route we shall probably be subjected to heavy pressure to develop it to a much increased carrying capacity. This in turn would involve strategic considerations of the highest importance. India's military contribution in other theatres of war has been and is determined on assumption that her western land frontier with Persia rests on a virtual vacuum so far as communications are concerned. If land communications through East Persia are to be highly developed it is apparent that the whole strategic conception must be reviewed and the question becomes one for consideration of C.O. in committee. This particular aspect of the problem will be stated in more detail by Chief of General Staff to Secretary, War Office."

- 3. A decision is required whether all the Persian Gulf routes to the U.S.S.R. should be developed as rapidly as possible to their maximum practicable capacity, which is in the region of 2,000 tons daily by rail and 1,000 tons by road, despite the strategic objections from the standpoint of India. If such authority is given the action contemplated is
 - (a) immediate provision of some 170 additional locomotives and some 2,500 additional 17½ ton wagons for the Trans-Iranian Railway in order to achieve a capacity of some 2,000 tons daily. (This would require priority for the vehicles and their shipment as against competing needs, for example, of the Middle East.)
 - (b) Fort improvements in the Persian Gulf, particularly at Bandar Shahpur.
 - (c) Port improvements on the Caspian Sea, requiring Russian co-operation.



- (d) Provision of additional lorries for feeder services between the Trans-Iranian Railway and Caspian Sea ports, or Russian land terminals.
- (e) Development of the East Persian route from India (Nokkundi through Meshed to Russia). (This would involve in addition to a survey now being undertaken, the provision of lorries, personnel, etc., either for a development up to a certain limit fixed on strategic grounds or a development up to the maximum of which the route is capable, believed to be between 3 and 600 tons daily.)

In addition there are three further routes of possible future importance; one from India to Russia through Afghanistan, the second through Iraq by road to Tabriz in Iran and thus to Russia, and the third through Turkey. The present capacity of these routes is less than 200 tons daily and their development is for various reasons likely to be a longer term problem than that of the routes already mentioned.

In so far as the consent and co-operation of the Persian Government are required any action taken is clearly dependent upon the settlement of our relations with Persia, but in order that planning and preparation may be carried forward without delay, a ruling is urgently required on the question whether any objection exists on the strategic grounds mentioned in paragraph 2 or on any other grounds to the maximum development of any or all of the Persian Gulf routes and facilities for supplies to Russia.

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CAY INDIA OFICE,

101

CLARACE HOUSE, 4 CENTRAL BUILDINGS, MATTHEW PARKER ST.,

S.W.1.

21st August, 1941.

Most Secret

By special messenger

We suggest the following amendments to your draft memorandum regarding routes to Russia:

- (a) Cut out the word "Gulf" in the phrese "Persien Gulf" wherever it occurs in the note, except in paragraph 3(b). The route via Meshed is not really a Persian Gulf route at all, as it isbased on India.
- (b) In the last section of paragraph 1, the passage about the Northern routes "of the Northern routes that via Archangel is full available only between June and mid-November, and that vis Nurmansk is open to enemy interruption." This is an amendment suggested by monteath, who was in Archengel during the last war and says that a considerable quantity of cargo was brought in throughout the winter months with the sid of icebreakers. Murmansk is surely normally ice-free throughout the year.
- (c) Start paragraph 2 as follows: "The Government of India have raised no question regarding the development of the Frans-Persian railway, but the development of the East Persian road cannot proceed athout regard to the strategic situation of India, which is thus described, etc."
- (d) In the second line from the end of your quotation from the Government of India's telegram, the words "C.O. in Committee" should be "Chiefs of Staff Committee."
- (e) In view of the Cabinet decision last night we suggest that you add at the end of paragraph 2 the following passage "Since this telegram was despatched it has been decided to invade Persia. Persian reactions will probably render it essential to

E. M. Michelson, Maq., Ministry of War Transport.

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provide protection for the East Persian road if operated. This is a fresh military commitment, for which no provision has been made. The Government of India are not likely to view favourably any proposal that Russian forces should operate south of Meshed."

- (f) In the introduction of paragraph 3 omit the words "which is in the region of 2,000 tons dealy by rail and 1,000 by road despite the strategic objections from the standpoint of India." The first reason for this omission is that we know of no grounds for thinking that the East Fersian road could carry anything like as much as 1,000 tons a day. The capacity of the railway and the road can be dealt with more suitably lower down in the memorandum. The second reason is that the Government of India raise no strategic objection now to the development of the railway.
- (g) Insert after the first sentence of paragraph 3(a) the words "of which possibly two-thirds might be secured for Russian traffic."
- (h) Alter persgraph 3(c) to run "Port improvements at railhead and also at larry route terminals on the Caspian Sea requiring Russian co-operation."
- (i) Omit last four lines of paragraph 3(e) and insert instead after the word "lorries" "and personnel, and the improvement of the traffic. The Russians have suggested its development to a capacity of 70 tonz per day and the maximum would be higher if considerable improvements were made to the track. The strategic objections to development increase with the extent to which the improvement of the track is involved.
- (j) Start the existing last sentence of the last section of paragraph 3 as follows "The present capacity of all these routes together is...etc." Add at the end of paragraph 3 "Before the decision to develop Afghan routes could be taken, further consultation with the Government of India and H.M. Minister, Kabul, would be necessary pending their views a provisional opinion is that Afghan consent would be very difficult to obtain.

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(k) Replace the last three lines of the memorandum by the following - "question whether all the routes and facilities for supplies to Russia through Persia should be developed to their maximum extent or whether any qualification in respect of the East Persian route is necessary on account of the strategic considerations mentioned in paragraph 2."

I am sending copies of this letter to Hankey, Drogheda, Ronald and McReady.

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DRAFT MEMORANDUM ON SUPPLIES TO RUSSIA.

(a) Military Supplies.

1. Very considerable demands for war equipment were put forward by the Russians at the end of June 1941.

These were considered by the Chiefs of Staff and General Macfarlane was incident to temporise. The same demands (the first two items of which are 3,000 fighters and 3,000 bombers) were later presented to the American Administration (see Telegram No. 504 Pursa of 31st July). They are still under investigation in Washington.

2. At an interview with Lord Hankey on 22nd July Mr. Hopkins reported that a proposal was being laid before the President to initiate a scheme of supplies to Russia of which the following were the main features:

- (1) A small number of pursuit planes immediately.
- (ii) Supplies of bombers to begin in April 1942.
- (iii) Small consignments of anti-aircraft guns beginning at once.
- (iv) Deliveries of certain quantities of raw
 materials, liquid fuel, industrial equipment
 etc. in proportions to be discussed, and including
 a certain amount of industrial material the
 export of which to Russia had previously been
 stopped by the American Authorities.
- Were at once set on foot by the Air Ministry in conjunction with the Air Mission in Washington. 140 of these machines are to be sent from this country and the balance to be withdrawn from consignments awaiting despatch from U.S.A. to Middle East. The provision of spares, equipment, and ammunition has proved difficult, but a bargain has now been

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from the U.K. are now in their as in the convoy proceeding to the Arctic. It was reported that the Americans intended to fly some of the machines included under the balance of 60 aircraft from the U.S.A. via Alaska. The Air Ministration of Hamiltonian to North Bussia. The possible despatch of British balance from the middle mast to South West Russia has been discussed.

- 4. The remaining items in the list reported by Mr. Hopkins are still under discussion in Washington. On 4th August Lord Halifax reported (Telegram No. 3668) that a Tripartite Anglo-Russo-American Committee had been set up in Washington to discuss aid to Russia. The suggestion that the Billian of the suggestion that the Billian representative and used that the public of Russian requirements described representative on this Committee should have power to agree durant equally between the M. Admin and the Switt Automata described to diversions of American supplies from Great Britain to and the Meads of an Nava, Anny and An Staffe Tipping as the first Russia without reference to London was resisted by H.M.G. While discussion and application of American Staffed au proceeding the public of the Minister of Mr. Hopkins, the commendence of Mr. Hopkins, the commendence of Mr. Hopkins, the commendence of Supply to Washington.
- Air Ministry/have arranged for the supply of a number of fighters in conjunction with the American Authorities, but that no further military supplies have got beyond the stage of preliminary explorations, the British side, however, it should be added that the Admiralty and War Office have taken advantage of the Arctic convoy to send certain small supplies including torpedoes, mines, and military boots.
- 6. Any further military supplies are presumably dependent upon the outcome of the Minister of Supply's visit to Washington and, in due course, of the projected Conference in Moscow.

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(b) Raw Material Supplies.

- 7. Requests for supplies of considerable quantities of raw materials were received on 29th June 1941 (Telegram No. 77 Arfar from Moscow). These were at once considered by Lord Hankey's Committee and an organisation was built up in M.E.W. to handle the whole subject under the Committee's general direction.
- transmitted by the Economic Section of the British Mission in Moscow to the Ministry of Economic Warfare and discussed in a special series of telegrams.

 Inter-departmental decisions on these requests are reached under the aegis of Lord Hankey's Committee and are then implemented by M.E.W. The U.K.C.C. have been appointed general buying and selling agents and conduct detailed negotiations as to prices, etc., with the Soviet Trade Delegation in London. The negotiation of a payments agreement has also been conducted by the Treasury through the M.E.W. channel and in consultation with Lord Hankey's Committee.
- 9. Many of the raw materials requested by the Russians can only be obtained from, or after consultation with, America. Lord Hankey's Committee has the ruspess been working in close contact with the Central Office for North American Supplies,

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and arrangements were made for full exchange of information between the United States and ourselves, through the British Purchasing Commission, regarding Russian requests addressed to either Government.

and involves much inter departmental consultation and a considerable number of tolograms (notably as regards chipping) is not working anotably and should be netained.

10. The raw materials being supplied to Russia include rubber, tin, cobalt, shellac, jute, wool, lead, molybdenum concentrates, etc. Discussions are proceeding with regard to copper, rolled brass, aluminium, leather, iridium, and machine tools. A special consignment of rubber is going to Russia from the U.K. in the Artic convoy. Certain supplies are to be sent from Russia to this country.

Lord Hankey's Committee/have also taken these received in the problem of routes of access to Russia. Up to the present all raw material supplies to Russia have been carried in Russian ships to Vladivostok. Owing to the precariousness of this route, discussions have been proceeding with a view to opening an alternative route through Persia, and proposals on this subject are about to be submitted to higher authority. It has been arranged that the Ministry of War Transport should be responsible for the implementing of any decisions reached regarding the improvement of inland

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transportation facilities, in so far as these improvements are to be made in areas not regarded as spheres of military operations by the War Office.

(c) General suggestions.

- Lord Hankey's Committee provides the most convenient channel through which to implement decisions regarding supplies, whether of war equipment or raw materials, to Russia and for settling any related problems such as transport, finance, etc. The Chiefs of Staff have in fact/instructed the Service Departments to inform Lord Hankey's Committee of any action which they may take independently in this regard, and to use the Committee for any inter-departmental discussion (except on the high plane of major decisions of policy) that may be required. General Macfarlane has been so informed. Similarly the function of the Economic Section of the British Mission in Moscow as the channel for conveying raw material requirements has recently been confirmed.
- 14. It is therefore suggested that any decisions which may be reached on the ministerial or diplomatic level regarding further supplies to Russia should be referred to Lord Hankey's Committee for implementation through the existing machinery, which can readily be adapted to meet new demands.
- 15. The projected conference in Moscow will clearly be on a very high plane. It is suggested, however, that its contact with London should be with Lord Hankey's Committee, which can meet at short notice to make any inter-departmental arrangements required as a result of the Conference's decisions, and which can also collect any information that the Conference may require. It would no doubt be convenient to include in the British Delegation to the Mission an official familiar with the machinery which has now been in operation for two months.

Telephone No.: ABBEY 7711.

MINISTRY OF SHIPPING,

should quote the following reference

E/14 440

BERKELEY SQUARE HOUSE,

BYPKELEY SQUARE,

LONDON, W.1.

22 Ayur 1941

Den Lord Honkey

have reached me only after my serveton has gone, + as the only stipulation for makes is that the vers of C n c Indea thould be added of an not brilling up the draft paper forther, but on altacking the relevant action for userton. F.O., 1.O. + MEW concert.

Yms sa oncey

SUPPLIES TO RUSSIA - PERSIAN GULF ROUTES.

- The policy of increasing supplies to Russia depends upon the traffic capacity and the security of the limited number of routes available.
 These routes are at present
 - (a) the Siberian routes;
 - (b) the Northern routes; and
 - (c) the Persian routes.

The estimated present traffic capacity for supplies to Russia by the Northern routes is rather less than 10,000 tons daily; that of the Siberian routes is less than half, and that of the Persian routes well under one-tenth of the above figure.

The Siberian routes may at any moment be closed by the Japanese; of the Northern routes that via Archangel is fully available only between June and mid-November, and that via Murmansk is open to enemy interruption, and the Persian routes are at present available for a negligible tomage only. As the Persian routes are the least threatened and are also the shortest between the main sources of supply and the main centres of Russian consumption, their rapid expansion to maximum capacity is clearly of the highest importance if the successful execution of the new policy is to be assured.

2. The Government of India have raised no question regarding the development of the Trans-Persian railway, but development of the East Persian road cannot proceed without regard to the strategic situation of India, which is thus expressed in the Government of India telegram No. 4182 of 11th August to the Secretary of State for India:

"In our view the whole question must be regarded against a very wide background. If as you suggest in paragraph (2) of your telegram No. 8936 dated 30th July Vladivostock route may be cut off any moment it is clear that overland supply routes must be organised capable of carrying almost daily a volume of traffic equal to that now contemplated monthly for Nokkundi-Weshed route. If then we make a beginning with this Meshed route we shall probably be subjected to heavy pressure to develop it to a much increased carrying capacity. This in turn would involve strategic considerations of the highest importance. India's military contribution in other theatres of war has been and is determined on assumption that her western land frontier with Persia rests on a virtual vacuum so far as communications are concerned. If land communications through East Persia are to be highly developed it is apparent that the whole strategic conception must be reviewed and the question becomes one for consideration of Chiefs of Staff Committee. This particular aspect of the problem will be stated in more detail by Chief of General Staff to Secretary, War Office."

INSERT (A)

Since these telegrams was despatched it has been decided to invade Persia. Persian reactions will probably render it essential to provide protection for the East Persian road if operated. This is a fresh military commitment, for which no provision has been made. The Government of India are not likely to view favourably any proposal that Russian forces should operate south of Meshed.

- A decision is required whether all the Persian routes to the U.S.S.R. should be developed as rapidly as possible to their maximum practicable capacity. If such authority is given the action contemplated is
 - (a) immediate provision of some 170 additional locomotives and some 2,500 additional 17½ ton wagons for the Trans-Persian railway in order to achieve a capacity of some 2,000 tons daily. (This would require priority for the vehicles and their shipment as against competing needs, for example, of the Middle East.)

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(b)/

- (b) Port improvements in the Persian Gulf, particularly at Bandar Shahpur.
- (c) Port improvements at railhead and also at lorry route terminals on the Caspian Sea, requiring Russian co-operation.
- (d) Provision of additional lorries for feeder services between the Trans-Persian railway and Caspian Sea ports, or Russian land terminals.
- (e) Development of the East Persian route from India (Nokkundi through Meshed to Russia). (This would involve in addition to a survey now being undertaken, the provision of lorries and personnel, and the improvement of the track. The Russians have suggested its development to a capacity of 70 tons per day and the maximum would be higher if considerable improvements were made to the track. The strategic objections to development increase with the extent to which the improvement of the track is involved.)

In addition there are three further routes of possible future importance; one from India to Russia through Afghanistan, the second through Iraq by road to Tabriz in Iran and thus, to Russia, and the third through Turkey. The present capacity of these routes together is less than 200 tons daily and their development is for various reasons likely to be a longer term problem than that of the routes already mentioned. Before a decision to develop Afghan routes could be taken, further consultation with the Government of India and H.M. Minister, Kabul, would be necessary. Pending their views a provisional opinion is that Afghan consent would be very difficult to obtain.

In so far as the consent and co-operation of the Persian Government are required any action taken is clearly dependent upon the settlement of our relations with Persia. It is impossible to say what effect any hostility we may incur as a result of our increasing pressure in Persia may have upon the security of any of these routes, more particularly the railway, but there may well be very considerable interruption. In order, however, that planning and preparation may be carried forward without delay, a ruling is urgently required on the question whether all the routes and facilities for supplies to Russia through Persia should be developed to their maximum extent, or whether any qualification in respect of the East Persian route is necessary on account of the strategic considerations mentioned in paragraph 2.

PUBLIC RECORD OFFIC CAB 63/156

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C. in C. India in telegram 10991/G Cipher 13/8 adds :

"It will be appreciated that development of this (Nokkundi-Mashed) route will have serious effect on problem of defence of Western Frontier and provision and allotment of troops which at present takes into account lack of development in East Persia and Seistan. From purely strategical aspect we have always opposed any high development of the routes Herat -Kandahar and Meshed - Zahidan. We are already removing railway lines between Nokkundi and Mirjawa which are earmarked for other projects including Diabekr - Mardin and could only be replaced after some considerable period from India's production. In our opinion most practicable and suitable line for supplying Russia is via the Trans - Iranian Railway from Bandar Sharpur to the Caspian. This route if selected would have no repercussions on the defence of India itself and could be destroyed comparatively easily whereas highly developed road communication on the immediate Western border of India would be most difficult to destroy and might be far more valuable to the enemy than to ourselves. We suggest C.I.S. should be consulted before any decision is made. "

Reference:CAB 63/156

CAB 63/156

E. 4925/3419/34.

Persia Land Hankey

With the Compliments of the Under Secretary of State (E 4925/6419/34fairs SECRET AND IMMEDIATE.

FOREIGN OFFICE.

114

22nd August, 1941.

22 AUG 1941

SECRET

Lear Nicholson

Please refer to your most secret letter of the 20th August to Lord Rankey enclosing a draft statement on the development of Persian Gulf routes for supplies to the Soviet Union.

We agree generally in the draft and in the emendments suggested by Rumbold in his letter to you of the Elst August, except that we do not much like the addition suggested by Rumbold in his sub-paragraph (g). Our reason is that if, in the circumstances that are likely to orise in the immediate future, it is possible to send goods to the Union of Soviet Socialist Republics by the Trans-Iranian Railway at all, we ought to be able to secure the whole advantage deriving from any additional rolling-atock supplied. We would also suggest the following smendment to paregraph 4 of the draft:-

A full stop after Persia in line three, and insert the following sentence: - It is impossible to say what effect any hostility we may incur as a result of our increasing pressure on Persis may have upon the security of any of these routes, more particularly the railway, but there may be very considerable interruption.

I am sending copies of this letter to Lord Hankey, Drogheds, Macready and Humbold.

Yours sincerely,

C.W. Basier

E.M. Micholson, Esq. Ministry of War Transport. copies sens 10. W.O. 1.0

MEW.

He At. How. Lord Hankey

SECRET.

THE WAR OFFICE, WHITEMALL, S.W.1.

22nd. August, 1941.

10

Dear Nicholson,

With reference to your letter of the 20th, inst. to Lord Hankey covering a statement on supplies to Russia by Persian routes, I agree generally to this statement as amended by the India Office in their letter of the 21st. August, but would put forward the following comments as a result of consultation with the D.M.O.& P. :-

- (a) The Defence of India Plan is based on the assumption that there is no threat to India from Seistan.
- (b) The capacity of the Meshed route is not capable of development on a scale which would materially affect the volume of supplies to Russia.
- (c) Lorries which could be made available and shipped for work on this route are probably very urgently required in the development of communications elsewhere, e.g. Basra to Mosul.

In view of (a) it is essential, I think, that the views of the Commander-in-Chief, India, as well as those of the Government of India, should be represented in the note which you propose to submit to higher authority. I attach a copy of the telegram from C.-in-C., India (10991/G of 13/8 to the War Office) on this subject, and suggest that the relevant text should be included in the draft memorandum after the views of the Government of India in Para, 2.

Yours

(Sgd) G.N. MACREADY.

E.M. Nicholson, Esq., Ministry of War Transport, Berkeley Square House, W.1.

Copies to: - The Rt. Hon. Lord Hankey, Offices of the War Cabinet.

Lord Drogheda (M.E.W.)

N. Romald, Esq., Foreign Office.

H.A. Rumbold, Esq., India Office.

CAB 63/156

CAPARIGHT - NOT TO BE REPRODUCED PHOTOGRAPHICALLY WITHOUT PERMISSION

MOST SECRET CYPHER TELEGRAM.

35021.

FROM :- C. in C. India

116

TO :- The War Office.

Rptd. The India Office.

Desp. 1505 13.8.41.
Reod. 1510 13.8.41.

IMPORTANT.

10991/G Cypher 13/8.

Ref. G.M. I. 4182 and 4183 11/8.

Retaxandum regarding development Nokkundi - Mushed route for supplies to Russia. It will be appreciated that development of this route will have serious affect on problem of defence of Western Frontier and provision and allotment of troops which at present takes into account lack of development in East Persia and Seistan. From purely strategical aspect we have always opposed any high development of the routes Herat - Kandahar and Mesbed - Zahiden. We are already removing railway lines between Nokkundi and Mirjawa which are earmarked for other projects including Diabekr - Mardin and could only be replaced after some considerable period from India's production. In: our opinion most practicable and suitable line for supplying Russia is via the Trans -Iranian Railway from Bendar Sharpur to the +Caspian. This route if selected would have no repercussions on the defence of India itself and could be destroyed comparatively easily whereas highly developed road communication on the immediate Western border of India would be most difficult to destroy and might be far more valuable to the enemy than to ourselves. We suggest C.I.S. should be consulted before any decision is made. ENDS.

C. 4 Telegrams

To M.O. 12 (For Action).

Q(Ops)
D. of Mov.
D. Tn.
D.D.Tn. (0)
Tn l.
India Office (Cel McCay)
F.O. (Mr. Bowker).
F.O. Mr. Crosthwaite.

CAB 63/156

CAB 63/156

CAPARIGHT - NOT TO BE REPRODUCED PHOTOGRAPHICALLY WITHOUT PERMISSION

Neria frammery Copy sent to Capt. C.N. Berkeley.

MOST SECRET.

22nd August, 1941.

Dear Hollis,

I enclose herewith a copy of a memorandum produced for the War Cabinet Committee.on Allied Supplies about the traffic capacity and the accurity of a limited number of routes available for supplies to Russia.

E.M. Nicholson, War Transport.

The memorandum deals more particularly with the Persian routes, and, as you will see from the memorandum, the extent to which they can be developed dependsupon strategical considerations connected with the defence of India.

We should be very glad if the Chiefs of Staff Committee could give us a ruling as to whether there is an objection on strategical grounds, or other military grounds, to the maximum development of any or all of the Persian routes and facilities for supplies to Russia mentioned in paragraph 3

There is so much planning and preparatory work to be done to improve communications with Hussia and Persia, and Russia's needs may soon become so great, that I do not think we ought to delay matters while the situation in Persia is being cleared up. And I understand that the decisions we want depend on long-term military policy connected with the defence of India, rather than on the present military situation and the immediate future.

Yours sincerely.

(Sgd.) HANKEY.

Colonel L.C. Hollis, CHE. RM.

CAB 63/156

SUPPLIES TO RUSSIA - PERSIAN GULF ROUTES.

- 1. The policy of increasing supplies to Russia depends upon the traffic capacity and the security of the limited number of routes available. These routes are at present
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118

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- 3. A decision is required whether all the Persian routes to the U.S.S.R. should be developed as rapidly as possible to their maximum practicable capacity. If such authority is given the action contemplated is
 - (a) immediate provision of some 170 additional locomotives and some 2,500 additional 17% ton wagons for the Trans-Persian railway in order to achieve a capacity of some 2,000 tons daily. (This would require priority for the vehicles and their shipment as against competing needs, for example, of the Middle East.)
 - (b) Port improvements in the Persian Gulf, particularly at Bandar Shahpur.
 - (c) Port improvements at railhead and also at lorry route terminals on the Caspian Sea, requiring Russian co-operation.
 - (d) Provision of additional lorries for feeder services between the Trans-Persian railway and Caspian Sea ports, or Russian land terminals.
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In addition there are three further routes of possible future importance; one from India to Russia through Afghanistan, the second through Iraq by road to Tabriz in Iran and thus to Russia, and the third through Turkey. The present capacity of all these routes together is less than 200 tons daily and their development is for various reasons likely to be a longer term problem than that of the routes already mentioned. Before a decision to develop Afghan routes could be taken, further consultation with the Government of India and H.M. Minister, Kabul, would be necessary. Pending their views a provisional opinion is that Afghan consent would be very difficult to obtain.

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4. In so far as the consent and co-operation of the Persian Government are required any action taken is clearly dependent upon the settlement of our relations with Persia. It is impossible to say what effect any hostility we may incur as a result of our increasing pressure in Persia may have upon the security of any of these routes, more particularly the railway, but there may well be very considerable interruption. In order, however, that planning and preparation may be carried forward without delay, a ruling is urgently required on the question whether all the routes and facilities for supplies to Russia through Persia should be developed to their maximum extent, or whether any qualification in respect of the East Persian route is necessary on account of the strategic considerations mentioned in paragraph 2.

3/156
- NOT TO BE REPRODUCED PHOTOGRAPHICALLY WITHOUT PERHISSI

121 GREAT GEORGE STREET, S.W. 1 2 Th anguss. Dear Lord trankey The attacked note on Enton and tin for Russia was left at 7-E.w. by Low Snathalla his aftunoon and has just mached we. 1 am not circulating is, as is is too late; also the U.K.C.C. are the agents of the giving of Luply him maters and I him

The later thank to five the opporting of commenting on them facts to for they are five they are five they are five they are at the same time he with illustrates the dangers of the present thanks the dangers of the present thanks and you will doubtless than it in wind in comments on with our discontinus to work afrow afrom afrom a discontinus.

Jour Lincons

1. The s.s. "Wellen" is due to leave Hong Kong at the end of this month. Her cargo is still to be determined.

Moscow has asked that she should, if possible, load tin and rubber rather than lead and jute. She could load approximately:

1,500 tons of tin or lead. 6,000 tons of rubber or jute.

- 2. An immediate decision as to which commodities the "Wellen" shall load must be taken, if possible, by August 27th, so that the necessary buying orders and shipping instructions can be given.
- 5. Shipments of tin to Russia so far completed, loading or proposed, have been as follows:-

Delivered Vladivostok - 1,000 tons Loading in the Far East - 1,000 tons Proposed for the "Volga" - 150/500 tons

Maximum total: 2,500 tons.

It has been tentatively agreed that tin shipments to Russia could be at the rate of 1,500 tons a month; for the 3 months ending September there is thus a balance of at least 2,000 tons to be shipped of which the "Wellen" could carry the greater part.

4. Shipments of rubber so far completed, loading or proposed, are as follows:-

Delivered Vladivostok - about 5,000 tons
Loading in the Far East - 5,000 tons
Proposed for the "Volga" - about 2,700 tons
Sent from the U.K. - 10,000 tons

Total: 22,700 tons

- 5. If the "Wellen" carried a cargo of 6,000 tons of rubber this, in conjunction with the "Volga" shipment, would exceed by about 1,000 tons the monthly quota tentatively suggested of 7,500 tons. On the other hand, at the meeting of the Committee of the Co-ordination of Allied Supplies on August 15th, the importance of seizing every shipping opportunity while Vladivostok remained open was stressed. At that meeting the approval of the Minister of Supply and the American authorities for a programme of shipments of rubber to Russia was sought with "special attention to the early arrival of the s.s. "Wellen" at Batavia, where a considerable cargo was to be picked up for early shipment to Vladivostok."
- 6. If the Minister of Supply and the American authorities agree to the shipment of the rubber and tin on the s.s. "Wellen" this must come from the Dutch East Indies as stocks in a few Strait Settlement ports are not adequate. American permission for these releases from the Dutch East Indies stocks is necessary.
- 7. While the broad question of a programme of supplies of tin and rubber to Russia remains to be settled, a decision on what the "Wellen" is to load tin and rubber or lead and jute cannot be delayed and it is requested that the Minister of Supply and the U.S.A. be consulted at once on this specific issue.

8. For reasons of prudence it may prove desirable to ship lesser amounts of tin similar, making up the cargo with another commodity such as sugar which is also needed at Vladivostok. Wheter this variation in cargo should be made depends in part on what other ships may be available for loading in the Far East later in September. Permission to make such a variation in the cargo of the s.s. "Wellen" is asked.

PUBLIC RECORD OFFICE CAB 63/156

8/HG 25th August 1941.

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OFFICES OF THE WAR CABINET,

GWYDYR HOUSE

WHITEHALL, S.W.I.

25 / Ragainer

10 p.m.

The Chief of Stap Lax answards in the after-ative our true guestians:

(A) lang. Stale improvement of the railway route trough Putia (paras I (a) to (8) of Tour report), subject to inframe of private issues to higher ankairs;

(b) development of the East Public long rate to 2000 tous a month;

(c) investigation of then postion transPersian routes.

The Whoth of work subject to a littlement of the present trouble. But we are authorized to make preparations now. Then wer a long discussion, of which of have as fet to details.

Jour dinney

COPY

MOST SECRET.

10 Downing Street, Whitehall.

PRIME MINISTER'S
PERSONAL MINUTE
SERIAL NO. D. 242/1.

on Amery's Memo

GENERAL ISMAY.

This should be considered by one of the Committees under the C.O.S. Committee. What I am principally concerned with is the through route from the Persian Gulf to the Caspian. The other projects mentioned by Mr. Amery seem to be more speculative. Alternatively, a motor road might suffice, or be better. It is of the utmost importance that strong railway detachments should be available, and rolling stock of the proper gauge to utilize to the full the supply of the Volga basin by improving the existing railway facilities.

Let me have a report within one week, and a synopsis of the report not exceeding two pages.

(Itd.) W.S.C.

26.8.41.

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COPY.



SECRET.

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PRIME MINISTER.

CHIEFS OF STAFF (41) 296TH MEETING.

Minute 4: Supplies to Russia - Development of Persian Gulf Routes.

The Vice-Chiefs of Staff, at Lord Hankey's request, have examined the strategical effect of developing the trans-Persian supply routes to Russia, with particular reference to the problem of the defence of India.

- 2. They agreed that large scale railway improvements (with consequential port and other improvements) on the Bandar Shahpur - Caspian Sea route should be undertaken as soon as possible, and they recommend the development of the East Persian lorry route (Nok Kundi-Meshed).
- Lord Hankey's organisation for Co-ordination of Allied Supplies will now press on with plans and preparations for the development of these routes. Your minute (Flag 'A'), which has just been received, is accordingly being referred to Lord Hankey for the preparation of a report on the wider issues raised by Mr. Amery's minute (Flag 'B').

D.242/1.

enclosure to D.242/1.

(Sgd.) L.C. Hollis. 27th August. 1941.

Lord Hankey.

Please report progress in one week and on one sheet.

(Intd.) W.S.C. 29.8.41.

CAB 63/156

CAB 63/156

Penian C, PRIME MINISTER PERSONAL MINUTE

8ERIAL No. In 848/1.

MINISTER OF SUPPLY. MINISTER OF WAR TRANSPORT. × LORD HANKEY. ×

128

SECHETARY OF STATE FOR WAR

Great railway developments are inevitable in the Middle Eastern theatre, down the Red Sea, in Persia, and laterally by Palestine and Iraq. Lord Hankey's Committee is at work on the broad lay-out, but the Minister of Supply and the Minister of War Transport should already be looking out for ways and means.

W.S.C.

30.8.41.

CAB 63/156

36. 8. HI

[Cypher]

SPECIAL ARFAR DISTRIBUTION

FROM MOSCOW TO MINISTRY OF ECONOMIC WARFARE

Sir S. Cripps No. 293. Arfar. Mossy. August 28th, 1941.

D. 9.15. p.m. 28th August, 1941.
 R. 6.45. a.m. 29th August, 1941.

b b b b b b

My telegram No. 290.

Five Soviet ships with a speed of nine to ten knots will join convoy on its return journey. Their names and dead tonnages are:

Rodina 7,800; Sukhona 5,200; Alma-Ata 5,500; Sevzaples 6,180; Stary Bolshevik 6,180.

The last two are motor vessels.

- 2. The Stary Bolshevik is already loaded with goods for United States but the other four will load timber for us at Onega.
- 3. If goods are available in United Kingdom and if they can form part of a convoy, they will return to U.S.S.R., otherwise they will proceed to the United States either in ballast or, if we wish, carrying goods for us. I have assured the Soviet authorities that they will be sent in convoy accordingly to the United Kingdom and the United States.
- 4. Soviet authorities will be responsible for arranging insurance for all their ships and the cargo on Stary Bolshevik. We are responsible for insurance on our ships and cargoes, and on our cargoes on Soviet ships.

PUBLIC RECORD OFFIC CAB 63/156

SUPPLIES TO RUSSIA: DEVELOPMENT OF PERSIAN GULF ROUTES.

You asked me on 29th August to submit a brief report on the development of the Persian Gulf routes for supplies to Russia. This report follows. Development of these particular routes must be considered in conjunction with developments of other routes in the Middle East - some of which are discussed in Mr. Amery's note to you of 25th August - and I understand that the War Office are placing before the Chiefs of Staff a general report raising the priority issues as regards the supply of railway material, etc., involved in these competing projects. Meanwhile the present note deals/with the Trans-Persian route as a means of supplying Russia, exclusively.

Trans-Persian Routes to Russia.

(1) Railway.

- 1. The existing capacity of the Persian railway from
 Bandar Shahpur to the Caspian ports, available for supplies
 to Russia, is 200/250 tons net daily. Arrangements are already
 in hand to provide a small number of locomotives and rolling
 stock to bring this figure up to 300/375 tons a day, and this
 increase should be secured by the end of the year.
- 2. Further development of the capacity of the line is being considered in two stages:
 - (a) Provision of 37 locomotives and 450 wagons to bring the through traffic capacity up to 600/750 tons daily;



- (b) Provision of 168 locomotives and 2,100 wagons to bring the capacity up to 2,000 tons a day. (This would involve considerable work in improving watering facilities, the development of the port of Bandar Shahpur, and the provision of much additional motor transport and river craft for the lower stretch).
- of supply of material which the War Office as the Department responsible for the general development of transport facilities in the Middle East, are placing before the Chiefs of Staff.

 My Committee for the Co-ordination of Supplies to Allies are keeping in close touch with the War Office and the Chiefs of Staff organisation in order that Russia's transport needs by this route are kept well to the fore in the general picture.
- 4. It has been agreed that there must be some form of Allied control of the Persian railway if full use is to be made of it for our purposes. The Foreign Office have taken up this point, and the War Office are considering the provision of the railway operating and workshop personnel required. The Commander-in-Chief, India, is also being asked to undertake a detailed reconnaissance.

(11) Roads.

(a) Western Persia.

Western Persia is being sought. The most likely route is that from Khamifqin on the Iraqi border: but any considerable traffic by this route would throw a heavy additional burden on the Basra-Bagdad railway, the capacity of which is already inadequate and the improvement of which is included in the survey of competing claims for railway equipment now being submitted to the Chiefs of Staff by the War Office.

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Pending the result of enquiries as to the most practicable routes, the United Kingdom Commercial Corporation is investigating the possibilities of organising a road transport system through civil contractors, and a number of lorries on Persian order in the United States are to be shipped at an early date.

Meanwhile a test consignment of lead and jute for Russia is on its way to Bandar Shahpur in a British ship; its on-transport across Persia will provide a useful clue to the road transport situation. It is agreed that the vulnerability of the Trans-Persian railway makes the development of alternative road transport facilities a matter of considerable importance.

(b) Eastern Persia.

6. The Chiefs of Staff have now recommended the immediate development of the East Persian lorry route (Nok Kundi - Meshed) to a capacity of 2,000 tons a month, and the Government of India will make the necessary arrangements. A trial consignment for Russia has already been purchased and routed to Nok Kundi. Control of the facilities is to remain in the hands of the Government of India Authorities.

(111) Northern Exits.

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7. It is considered that any developments required at the Persian ports on the Caspian and on the roads connecting them with the Trans-Persian railway can be left to the Russians at this stage. In any case the problems on the north side of Persia are not so severe as those on the south side.